



June 2, 2016

MR. PATRICK MCCRANEY
BETTER GOVERNMENT ASSOCIATION
SUITE 900
223 WEST JACKSON BOULEVARD
CHICAGO, IL 60606

FOIPA Request No.: 1325658-000
Subject: RYAN, GEORGE H.

Dear Mr. McCraney:

The enclosed documents were reviewed under the Freedom of Information Act (FOIA), Title 5, United States Code, Section 552. Deletions have been made to protect information which is exempt from disclosure, with the appropriate exemptions noted on the page next to the excision. In addition, a deleted page information sheet was inserted in the file to indicate where pages were withheld entirely. The exemptions used to withhold information are marked below and explained on the enclosed Explanation of Exemptions:

Section 552

☐ (b)(1)

☐ (b)(2)

☒ (b)(3)

Rule 6(e), Federal Rules of Criminal

Procedure

☐ (b)(4)

☐ (b)(5)

☒ (b)(6)

☐ (b)(7)(A)

☐ (b)(7)(B)

☒ (b)(7)(C)

☒ (b)(7)(D)

☒ (b)(7)(E)

☐ (b)(7)(F)

☐ (b)(8)

☐ (b)(9)

Section 552a

☐ (d)(5)

☐ (j)(2)

☐ (k)(1)

☐ (k)(2)

☐ (k)(3)

☐ (k)(4)

☐ (k)(5)

☐ (k)(6)

☐ (k)(7)

595 pages were reviewed and 360 pages are being released.

☒ Documents were located which originated with, or contained information concerning, another Government Agency [OGA].

☒ This information has been referred to the OGA for review and direct response to you.

☒ We are consulting with another agency. The FBI will correspond with you regarding this information when the consultation is completed.

☒ In accordance with standard FBI practice and pursuant to FOIA exemption (b)(7)(E) and Privacy Act exemption (j)(2) [5 U.S.C. § 552/552a (b)(7)(E)/(j)(2)], this response neither confirms nor denies the existence of your subject's name on any watch lists.

For your information, Congress excluded three discrete categories of law enforcement and national security records from the requirements of the FOIA. See 5 U.S.C. § 552(c) (2006 & Supp. IV (2010)). This response is limited to those records that are subject to the requirements of the FOIA. This is a standard notification that is given to all our requesters and should not be taken as an indication that excluded records do, or do not, exist. Enclosed for your information is a copy of the Explanation of Exemptions.

For questions regarding our determinations, visit the www.fbi.gov/foia website under "Contact Us." The FOIPA Request Number listed above has been assigned to your request. Please use this number in all correspondence concerning your request. Your patience is appreciated.

You have the right to appeal any denials in this release. You may file an appeal by writing to the Director, Office Information Policy (OIP), United States Department of Justice, 1425 New York Avenue, NW, Suite 11050, Washington, D.C. 20530-0001, or you may submit an appeal through OIP's FOIAonline portal by creating an account on the following website: <https://foiaonline.regulations.gov/foia/action/public/home>. Your appeal must be postmarked or electronically transmitted within sixty (60) days from the date of this letter in order to be considered timely. If you submit your appeal by mail, both the letter and the envelope should be clearly marked "Freedom of Information Act Appeal." Please cite the FOIPA Request Number assigned to your request so that it may be easily identified.

☐ The enclosed material is from the main investigative file(s) in which the subject(s) of your request was the focus of the investigation. Our search located additional references, in files relating to other individuals, or matters, which may or may not be about your subject(s). Our experience has shown when identified, references usually contain information similar to the information processed in the main file(s). Because of our significant backlog, we have given priority to processing only the main investigative file(s). If you want the references, you must submit a separate request for them in writing, and they will be reviewed at a later date, as time and resources permit.

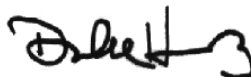
☒ See additional information which follows.

In response to your negotiated Freedom of Information Act (FOIA) request, enclosed is a processed copy of the FBI Springfield file number 194A-SI-50818. The enclosed documents contained in sections one and two of this file represent the first interim release of information responsive to your FOIA request. Inquiries regarding your OGA referrals may be directed to the following agency at:

United States Postal Service, Inspection Office
Attn: FOIA Office, Room #3521
475 L'Enfant Plaza, SW
Washington, DC 20260-5821

To minimize costs to both you and the FBI, duplicate copies of the same document were not processed. This material is being provided to you at no charge.

Sincerely,



David M. Hardy
Section Chief
Record/Information
Dissemination Section
Records Management Division

Enclosure(s)

EXPLANATION OF EXEMPTIONS

SUBSECTIONS OF TITLE 5, UNITED STATES CODE, SECTION 552

- (b)(1) (A) specifically authorized under criteria established by an Executive order to be kept secret in the interest of national defense or foreign policy and (B) are in fact properly classified to such Executive order;
- (b)(2) related solely to the internal personnel rules and practices of an agency;
- (b)(3) specifically exempted from disclosure by statute (other than section 552b of this title), provided that such statute (A) requires that the matters be withheld from the public in such a manner as to leave no discretion on issue, or (B) establishes particular criteria for withholding or refers to particular types of matters to be withheld;
- (b)(4) trade secrets and commercial or financial information obtained from a person and privileged or confidential;
- (b)(5) inter-agency or intra-agency memorandums or letters which would not be available by law to a party other than an agency in litigation with the agency;
- (b)(6) personnel and medical files and similar files the disclosure of which would constitute a clearly unwarranted invasion of personal privacy;
- (b)(7) records or information compiled for law enforcement purposes, but only to the extent that the production of such law enforcement records or information (A) could reasonably be expected to interfere with enforcement proceedings, (B) would deprive a person of a right to a fair trial or an impartial adjudication, (C) could reasonably be expected to constitute an unwarranted invasion of personal privacy, (D) could reasonably be expected to disclose the identity of confidential source, including a State, local, or foreign agency or authority or any private institution which furnished information on a confidential basis, and, in the case of record or information compiled by a criminal law enforcement authority in the course of a criminal investigation, or by an agency conducting a lawful national security intelligence investigation, information furnished by a confidential source, (E) would disclose techniques and procedures for law enforcement investigations or prosecutions, or would disclose guidelines for law enforcement investigations or prosecutions if such disclosure could reasonably be expected to risk circumvention of the law, or (F) could reasonably be expected to endanger the life or physical safety of any individual;
- (b)(8) contained in or related to examination, operating, or condition reports prepared by, on behalf of, or for the use of an agency responsible for the regulation or supervision of financial institutions; or
- (b)(9) geological and geophysical information and data, including maps, concerning wells.

SUBSECTIONS OF TITLE 5, UNITED STATES CODE, SECTION 552a

- (d)(5) information compiled in reasonable anticipation of a civil action proceeding;
- (j)(2) material reporting investigative efforts pertaining to the enforcement of criminal law including efforts to prevent, control, or reduce crime or apprehend criminals;
- (k)(1) information which is currently and properly classified pursuant to an Executive order in the interest of the national defense or foreign policy, for example, information involving intelligence sources or methods;
- (k)(2) investigatory material compiled for law enforcement purposes, other than criminal, which did not result in loss of a right, benefit or privilege under Federal programs, or which would identify a source who furnished information pursuant to a promise that his/her identity would be held in confidence;
- (k)(3) material maintained in connection with providing protective services to the President of the United States or any other individual pursuant to the authority of Title 18, United States Code, Section 3056;
- (k)(4) required by statute to be maintained and used solely as statistical records;
- (k)(5) investigatory material compiled solely for the purpose of determining suitability, eligibility, or qualifications for Federal civilian employment or for access to classified information, the disclosure of which would reveal the identity of the person who furnished information pursuant to a promise that his/her identity would be held in confidence;
- (k)(6) testing or examination material used to determine individual qualifications for appointment or promotion in Federal Government service the release of which would compromise the testing or examination process;
- (k)(7) material used to determine potential for promotion in the armed services, the disclosure of which would reveal the identity of the person who furnished the material pursuant to a promise that his/her identity would be held in confidence.

FEDERAL BUREAU OF INVESTIGATION
FOI/PA
DELETED PAGE INFORMATION SHEET
FOI/PA# 1325658-0

Total Deleted Page(s) = 79

Page 19 ~ Duplicate - 194A-SI-50818-1C1;
Page 21 ~ Duplicate - 194A-SI-50818-1C1;
Page 23 ~ Duplicate - 194A-SI-50818-1C1;
Page 25 ~ Duplicate - 194A-SI-50818-1C1;
Page 27 ~ Duplicate - 194A-SI-50818-1C1;
Page 29 ~ Duplicate - 194A-SI-50818-1C1;
Page 31 ~ Duplicate - 194A-SI-50818-1C1;
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Page 69 ~ b6; b7C; b7D; b7E;
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Page 79 ~ b6; b7C; b7E;
Page 80 ~ Duplicate - 194A-SI-50818-9;
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Page 93 ~ b6; b7C; b7D;
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Page 132 ~ Duplicate - 194A-SI-50818-23;
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Page 134 ~ Duplicate - 194A-SI-50818-23;
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Page 280 ~ b7E;
Page 281 ~ b7E;
Page 282 ~ b7E;
Page 283 ~ b7E;
Page 284 ~ b7E;
Page 285 ~ b7E;
Page 286 ~ b7E;
Page 287 ~ b7E;
Page 288 ~ b7E;
Page 289 ~ b7E;
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Page 407 ~ b6; b7C; b7D;
Page 409 ~ b6; b7C; b7D;
Page 415 ~ b6; b7C; b7D;
Page 416 ~ b6; b7C; b7D;

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02/11/00
09:02:11

FD-192

ICMIPR01
Page 1

Title and Character of Case:

RYAN, GEORGE

Date Property Acquired: Source from which Property Acquired:

b6
b7c

02/09/2000

OFFICE OF SOS

Anticipated Disposition: Acquired By:

Case Agent:

Description of Property:

Date Entered

1B 1

1 IBM PERSONAL COMPUTER, MODEL 300PL, SERIAL #23A102F,
SECRETARY OF STATE PROPERTY CONTROL #0111547
1 IBM PERSONAL COMPUTER, MODEL 350, SERIAL #555ZB01 P166,
SECRETARY OF STATE PROPERTY CONTROL #0107542

Barcode: E1367956

Location: ECR1

FLOOR

02/11/2000

194A-SI-50818-1B1

Case Number: 194A-SI-50818 /
Owning Office: SPRINGFIELD

SEARCHED INDEXED
SERIALIZED FILED
FEB 11 2000
FBI-SPRINGFIELD

FW

02/15/00
10:02:38

FD-192

ICMIPR01
Page 1

Title and Character of Case:

RYAN, GEORGE

Date Property Acquired: 02/05/2000
Source from which Property Acquired: DON STROM

b6
b7c

Anticipated Disposition: Acquired By:

Case Agent:

Description of Property:

Date Entered

1B 2

COPY OF VOUCHERS FOR MATERIALS USED AT 1800 E. ADAMS,
SPRINGFIELD, IL

Barcode: E1367957 Location: ECR1 CAB23 S1 02/15/2000

Case Number: 194A-SI-50818
Owning Office: SPRINGFIELD

194A-SI-50818-1B²

File copy

SEARCHED	INDEXED
SERIALIZED	FILED
FEB 15 2000	
FBI-SPRINGFIELD	

02/15/00
11:02:54

FD-192

ICMIPR01
Page 1

Title and Character of Case:

RYAN, GEORGE
[REDACTED]

Date Property Acquired: Source from which Property Acquired:

02/11/2000

[REDACTED] INVESTIGATOR I.G'S OFFICE - SOS
HOWLETT BUILDING - ROOM 548
IL

b6
b7c

Anticipated Disposition: Acquired By:

Case Agent:

Description of Property:

Date Entered

1B 3

IBM COMPUTER, PROPERTY CONTROL # 0108093, S/N 558N3CA
IBM COMPUTER, PROPERTY CONTROL # 0108092, S/N 558N3BW

Barcode: E1367958

Location: ECR1

FLOOR

02/15/2000

Case Number: 194A-SI-50818
Owning Office: SPRINGFIELD

File copy

194A-SI-50818-1B3

SEARCHED	INDEXED
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FEB 15 2000	
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10:02:46

FD-192

ICMIPR01
Page 1

Title and Character of Case:

RYAN, GEORGE

[REDACTED]

b6
b7c

Date Property Acquired: Source from which Property Acquired:

02/22/2000

RM. 298, HOWLETT BLDG

CENERAL COUNSEL'S OFC

Anticipated Disposition: Acquired By:

[REDACTED]

Case Agent:

[REDACTED]

Description of Property:

Date Entered

1B 4

IBM PERSONAL COMPUTER MODEL 350, PROPERTY CONTROL #101921,
SERIAL #78Y1409 P133

Barcode: E1367985

Location: ECR1

FLOOR

02/23/2000

194A-SI-50818-1B4

Case Number: 194A-SI-50818 /
Owning Office: SPRINGFIELD

File
Wong

SEARCHED	INDEXED
SERIALIZED	FILED
FEB 22 2000	
FBI - SPRINGFIELD	

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15:02:34

FD-192

ICMIPR01
Page 1

Title and Character of Case:

RYAN, GEORGE
[REDACTED]

Date Property Acquired: Source from which Property Acquired:

b6
b7c

02/23/2000

[REDACTED] - IL SOS

Anticipated Disposition: Acquired By:

Case Agent:

Description of Property:

Date Entered

1B 5

1 IBM PERSONAL COMPUTER MODEL 350 S/N 23BLWU7P166
SEC. OF STATE CONTROL # 102188

Barcode: E1367994

Location: ECR1

FLOOR

02/23/2000

Case Number: 194A-SI-50818/
Owning Office: SPRINGFIELD

194A-SI-50818-1B5

SEARCHED	INDEXED
SERIALIZED	FILED
FEB 2 2000	
FBI - SPRINGFIELD	

File copy

04/03/00
14:13:57

FD-192

ICMIPR01
Page 1

Title and Character of Case:

RYAN, GEORGE

Date Property Acquired: Source from which Property Acquired:

03/26/2000

b3
b6
b7C

Anticipated Disposition: Acquired By:

Case Agent:

Description of Property:

Date Entered

1B 5

Barcode: E01827146

Location: ECR1

FLOOR

04/03/2000

1B 5
Case Number: 194A-SI-50818
Owning Office: SPRINGFIELD

SEARCHED	INDEXED
SERIALIZED	FILED
APR 07 2000	
FBI - SPRINGFIELD	

file copy

04/26/00
17:27:14

FD-192

ICMIPR01
Page 1

Title and Character of Case:

RYAN, GEORGE
[REDACTED]

Date Property Acquired: Source from which Property Acquired:

04/19/2000

b3
b6
b7C

Anticipated Disposition: Acquired By:

Case Agent:

Description of Property:

Date Entered

1B 6
[REDACTED]

Barcode: E01827204

Location: ECR1

CAB36

S4

04/26/2000

Case Number: 194A-SI-50818
Owning Office: SPRINGFIELD

1B4

SEARCHED	INDEXED
SERIALIZED	FILED
APR 26 2000	
FBI - SPRINGFIELD	

File
Copy

10/23/00
14:34:55

FD-192

ICMIPR01
Page 1

Title and Character of Case:

RYAN, GEORGE
[REDACTED]

Date Property Acquired: 10/16/2000
Source from which Property Acquired: FBI SI CART

b6
b7c

Anticipated Disposition: Acquired By: [REDACTED]

Case Agent: [REDACTED]

Description of Property:
1B 7

Date Entered

[REDACTED]
[REDACTED]

b7E

Barcode: E01827820

Location: ECR1

CAB33

S1

10/23/2000

Case Number: 194A-SI-50818
Owning Office: SPRINGFIELD

File Copy

1Bⁿ *07*
RECEIVED
OCT 24 2000

by BY: *S. W. M.*

12/08/00
11:33:16

FD-192

ICMIPR01
Page 1

Title and Character of Case:

RYAN, GEORGE
[REDACTED]

Date Property Acquired: Source from which Property Acquired:

06/06/2000 [REDACTED]

Anticipated Disposition: Acquired By:

Case Agent:

b6
b7C

Description of Property:

Date Entered

1B 8

THREE BINDERS, TRIAL TRANSCRIPTS, JURY TRIAL DATED 10/17/94
10/18/94

TWO BINDERS, COURT PLEADINGS & DOCUMENTS, [REDACTED]
ONE FOLDER, GRAND JURY TRANSCRIPTS
ONE FILE RE ELECTRONIC OVERHEAR DATED 7/27/91, IL STATE
POLICE & [REDACTED]
ONE BOX, GRAND JURY TRANSCRIPTS, CIVIL SUIT AND STATE TRIAL
TRANSCRIPTS

Barcode: E01827919

Location: ECR1

FLOOR

12/03/2000

Case Number: 194A-SI-50818
Owning Office: SPRINGFIELD

File
copy

DEC 11 2000

12/18/00
15:15:35

FD-192

ICMIPR01
Page 1

Title and Character of Case:

RYAN, GEORGE
[REDACTED]

Date Property Acquired: 12/12/2000 Source from which Property Acquired:
COMPUTER FORENSICS EXAMINATION OF ILLINOIS SECRETARY
OF STATE COMPUTERS

b6
b7c

Anticipated Disposition: Acquired By:

Case Agent:

Description of Property:
1B 9

Date Entered

b7E

Barcode: *EO1872528* Location:

12/13/2000

Case Number: 194A-SI-50818
Owning Office: CHICAGO

1B9

FILE

DEC 20 2000
By: *[Signature]*

07/27/02
08:01:22

FD-192

ICMIPR01
Page 1

Title and Character of Case:

RYAN, GEORGE
[REDACTED]

Date Property Acquired: Source from which Property Acquired:

03/27/2002

b6
b7C
b7D

Anticipated Disposition: Acquired By:

Case Agent:

Description of Property:

Date Entered

1B 10

ONE BOX OF MISCELLANEOUS RECORDS RELATIVE TO SECRETARY OF
STATE OFFICES

Barcode: E02064670

Location: ECR1

FLOOR

07/27/2002

Case Number: 194A-SI-50818
Owning Office: SPRINGFIELD

File
copy

RECEIVED
JUL 27 2002

BY: [Signature]

04/12/02
11:07:43

FD-192

ICMIPR01
Page 1

Title and Character of Case:

RYAN, GEORGE
[REDACTED]

Date Property Acquired: Source from which Property Acquired:

04/12/2002

[REDACTED] PHYSICAL SERVICES SOS

b6
b7C
b7D

Anticipated Disposition: Acquired By:

Case Agent:

Description of Property:

Date Entered

1B 10
[REDACTED]

Barcode: E01828970

Location:

04/12/2002

Case Number: 194A-SI-50818
Owning Office: SPRINGFIELD

File
copy

RECEIVED
APR 12 2002
BY: RAS/DAY

02/26/03
15:52:38

FD-192

ICMIPR01
Page 1

Title and Character of Case:

RYAN, GEORGE
[REDACTED]

Date Property Acquired: 02/07/2003
Source from which Property Acquired:
DEPT OF PHYSICAL SERVICES SOS

b6
b7C

Anticipated Disposition: Acquired By:

Case Agent:

Description of Property:
1B 12

Date Entered

PERSONNEL RECORDS [REDACTED]
[REDACTED]

Barcode: E02063541

Location: ECR1

02/24/2003

Case Number: 194A-SI-50818
Owning Office: SPRINGFIELD

1B12

DL

File
Copy

FEB 26 2003

AKO

Date 3/20/00

Title and Character of Case
GEORGE RYAN

FILE NO. 194A-SI-50818

OO: SI

Date Acquired <u>3/17/00</u>	Acquired From: <div style="border: 1px solid black; height: 20px; width: 100%;"></div>		
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To Be Returned <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	See Serial	Acquiring Agent <div style="border: 1px solid black; height: 20px; width: 100%;"></div>	Case Agent <div style="border: 1px solid black; height: 20px; width: 100%;"></div>
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☐ Yes ☒ No Grand Jury Material - Disseminate Only Pursuant to Rule 6(e), Federal Rules of Criminal Procedure

b6
b7C
b7D

☐ Yes ☒ No Property To Be Forfeited To The U.S. Government

Description of Property (Be Specific)

Photocopies of

involving

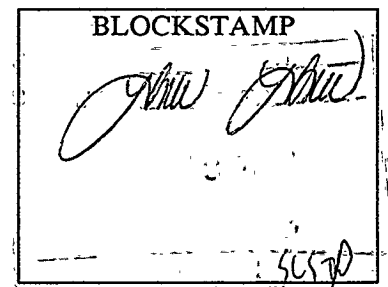
194A-SI-50818-1C

For Administrative Use:

Location of Property: SI

Control Number: _____

(File Copy)



[illegible]

Date 3/28/2000

Title and Character of Case

GEORGE RYAN

FILE NO. 194A-SI-50818

OO: SI

Date Acquired

3/2/2000

Acquired From:

[Redacted]

To Be Returned

☐ Yes ☐ No

See Serial

Acquiring Agent

Case Agent

[Redacted]

[Redacted]

☐ Yes ☒ No

Grand Jury Material - Disseminate Only Pursuant to Rule 6(e), Federal Rules
of Criminal Procedure

b6
b7C
b7D

☐ Yes ☒ No

Property To Be Forfeited To The U.S. Government

Description of Property (Be Specific)

documents relative to

[Redacted]

[Redacted]

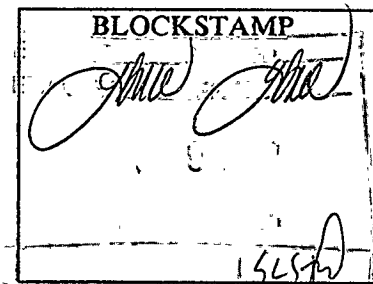
194A-SI-50818-1C²

For Administrative Use:

Location of Property: _____

Control Number: _____

(File Copy)



Date

3/10/00

Title and Character of Case

GEORGE RYAN;
ET AL;
HOBBS ACT - CSLPO

FILE NO. 194A-SI-50818

OO: SI

Date Acquired

3/8/00

Acquired From:

To Be Returned

☐ Yes ☒ No

See Serial

Acquiring Agent

Case Agent

☐ Yes ☒ No

Grand Jury Material - Disseminate Only Pursuant to Rule 6(e), Federal Rules
of Criminal Procedure

b6
b7C
b7D

☐ Yes ☒ No

Property To Be Forfeited To The U.S. Government

Description of Property (Be Specific)

Photocopies of forty-one pages of documents regarding
[redacted] at SOS

For Administrative Use:

Location of Property: _____

Control Number: _____

(File Copy)

194A-SI-50818-1C³

BLOCKSTAMP	
SEARCHED	INDEXED
SERIALIZED	FILED
APR 11 2000	
FBI - SPRINGFIELD	
SLG/one	

Date

3/24/2000

Title and Character of Case

George Ryan
et al

FILE NO.

194A-SI-50818

OO:

SI

Date Acquired

2/25/2000

Acquired From:

[Redacted]

To Be Returned

☐ Yes ☐ No

See Serial

Acquiring Agent

Case Agent

☐ Yes ☒ No

Grand Jury Material - Disseminate Only Pursuant to Rule 6(e), Federal Rules
of Criminal Procedure

b6
b7C

☐ Yes ☐ No

Property To Be Forfeited To The U.S. Government

Description of Property (Be Specific)

Deposition of

[Redacted]

For Administrative Use:

Location of Property: _____

Control Number: _____

(File Copy)

194A-SI-50818-24

SEARCHED	INDEXED
SERIALIZED	FILED
APR 1 1999	
FBI - NEW YORK	

Date 4/14/2000

Title and Character of Case

*George Ryan
et al*

FILE NO. 194A-SI-50818

OO: SI

Date Acquired

3/2/2000

Acquired From:

To Be Returned

☐ Yes ☐ No

See Serial

Acquiring Agent

Case Agent

☐ Yes ☒ No

Grand Jury Material - Disseminate Only Pursuant to Rule 6(e), Federal Rules
of Criminal Procedure

b6
b7C
b7D

☐ Yes ☒ No

Property To Be Forfeited To The U.S. Government

Description of Property (Be Specific)

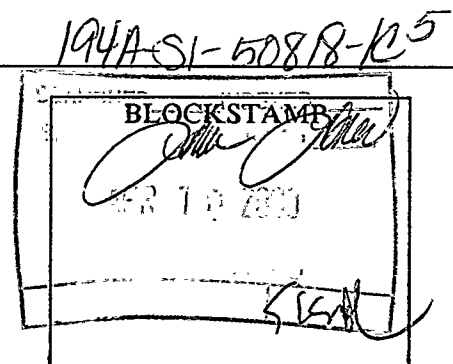
*Xeroxed documents from
re*

For Administrative Use:

Location of Property: _____

Control Number: _____

(File Copy)



Date 3/16/00

Title and Character of Case

FILE NO. 194A-SI-50818

OO: SI

GEORGE RYAN,
Illinois Governor;
[redacted] et al

Date Acquired

Acquired From:

b6
b7C
b7D

3/15/00

[redacted]

To Be Returned

See Serial

Acquiring Agent

Case Agent

☒ Yes ☐ No

[redacted]

[redacted]

☐ Yes ☒ No

Grand Jury Material - Disseminate Only Pursuant to Rule 6(e), Federal Rules of Criminal Procedure

☐ Yes ☒ No

Property To Be Forfeited To The U.S. Government

Description of Property (Be Specific)

PHOTOCOPIES OF

[redacted]

[redacted]

194A-SI-50818-1C⁶

For Administrative Use:

Location of Property: SPRINGFIELD

Control Number: _____

(File Copy)

BLOCKSTAMP

[Signature]

[Signature]

Date 3/16/00

Title and Character of Case

GEORGE RYAN,
Illinois Governor;
[redacted] et al

FILE NO. 194A-SI-50818

OO: SI

Date Acquired

3/15/00

Acquired From:

[redacted]

b6
b7C
b7D

To Be Returned

☒ Yes ☐ No

See Serial

Acquiring Agent

[redacted]

Case Agent

[redacted]

☐ Yes ☒ No

Grand Jury Material - Disseminate Only Pursuant to Rule 6(e), Federal Rules
of Criminal Procedure

☐ Yes ☒ No

Property To Be Forfeited To The U.S. Government

Description of Property (Be Specific)

PHOTOCOPIES OF [redacted]
SDS RECEIVED FROM SDS UPON [redacted] REQUEST

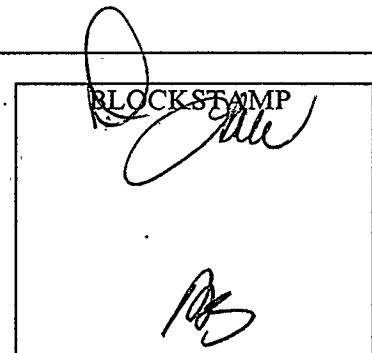
194A-SI-50818-1C⁷

For Administrative Use:

Location of Property: SPRINGFIELD

Control Number: _____

(File Copy)



Inventory of Bulky Nonevidentiary Property
FD-192a (1-5-89)

Date 3/15/99

Title and Character of Case

FILE NO. 194A-SI-50814

OO: SI

Date Acquired <u>3/15/99</u>	Acquired From: <u>Inspector</u> <u>Postmaster</u>		
To Be Returned <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	See Serial	Acquiring Agent 	Case Agent

b6
b7C

☐ Yes ☐ No Grand Jury Material - Disseminate Only Pursuant to Rule 6(e), Federal Rules of Criminal Procedure

☐ Yes ☒ No Property To Be Forfeited To The U.S. Government

Description of Property (Be Specific)

3-3109 Binder ISP Report on
George Lyon Washington

For Administrative Use:

Location of Property: _____

Control Number: _____

(File Copy)

194A-SI-50818-1C8

BLOCKSTAMP
RECEIVED
JAN 30 2002
BY: <u>[Signature]</u>

Hand
Hand

12/22/99
11:12:07

FD-192

ICMIPR01
Page 1

Title and Character of Case:

RYAN, GEORGE

Date Property Acquired: 12/20/1999
Source from which Property Acquired: SI CM #99-540

b6
b7c

Anticipated Disposition: Acquired By:

Case Agent:

Description of Property:

Date Entered

1D 1

TAPE #15969

TELCAL ON

b6
b7C
b7D

Barcode: E1758352

Location: ELSUR

CAB26

S3

12/22/1999

Case Number: 194A-SI-50818 -101

Owning Office: SPRINGFIELD

*Tape
15969*

SLM

12/22/99
11:12:21

FD-192

ICMIPR01
Page 1

Title and Character of Case:

RYAN, GEORGE

Date Property Acquired: 12/09/1999
Source from which Property Acquired: SI CM #99-540

b6
b7C

Anticipated Disposition: Acquired By:

Case Agent:

Description of Property:

Date Entered

1D 2

TAPE #15979

TELCAL ON

b6
b7C
b7D

Barcode: E1758362

Location: ELSUR

CAB26 S3

12/22/1999

Case Number: 194A-SI-50818 -152

Owning Office: SPRINGFIELD

Tape
15979

SKMM

12/28/99
09:12:55

FD-192

ICMIPR01
Page 1

Title and Character of Case:

RYAN, GEORGE
[REDACTED]

Date Property Acquired: Source from which Property Acquired:

b6
b7c

12/23/1999

SI CM #99-550

Anticipated Disposition: Acquired By:

Case Agent:

Description of Property:

Date Entered

1D 3

TAPE #15986

FBIRD [REDACTED]

b6
b7C
b7D

Barcode: E1768369

Location: ELSUR

CAB26

S4

12/28/1999

Case Number: 194A-SI-50818-1D3
Owning Office: SPRINGFIELD

*Tape
15986*

SEARCHED	INDEXED
SERIALIZED	FILED
DEC 28 1999	
FBI - SPRINGFIELD	

01/10/00
16:01:56

FD-192

ICMIPR01
Page 1

Title and Character of Case:

RYAN, GEORGE
[REDACTED]

Date Property Acquired: 12/30/1999
Source from which Property Acquired: INVESTIGATION

b6
b7c

Anticipated Disposition: Acquired By: [REDACTED]

Case Agent: [REDACTED]

Description of Property:

Date Entered

ID 4

TAPE #16002
[REDACTED]

b6
b7C
b7D

Barcode: E1758385

Location: ELSUR

CAB26

S4

01/10/2000

01/10/00
16:01:56

REG. I. G
UNKN. ONE

Date Proc

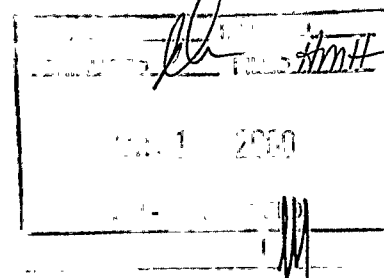
12

Description

TAPE #
VOICE
RECORD

Case Number: 194A-SI-50818 - 104
Owning Office: SPRINGFIELD

*Tape
16002*



03/24/00
11:03:58

FD-192

ICMIPR01
Page 1

Title and Character of Case:

RYAN, GEORGE
[REDACTED]

Date Property Acquired: 03/15/2000
Source from which Property Acquired: INVESTIGATION

b6
b7c

Anticipated Disposition: Acquired By: [REDACTED] Case Agent: [REDACTED]

Description of Property: 1D 5 Date Entered

TAPE #16368
VOLUNTEERED TAPE WITH [REDACTED]

b6
b7C
b7D

Barcode: E1758758 Location: ELSUR CAB27 S1 03/24/2000

Case Number: 194A-SI-50818 - 1D5
Owning Office: SPRINGFIELD

*Yape
16368*

SEARCHED	INDEXED
SERIALIZED	FILED
MAR 21 2000	
FBI - SPRINGFIELD	

07/31/00
10:11:10

FD-192

ICMIPR01
Page 1

Title and Character of Case:

RYAN, GEORGE
[REDACTED]

Date Property Acquired: Source from which Property Acquired:

b6
b7C

SI CM# 00-281

07/24/2000

Anticipated Disposition: Acquired By:

Case Agent:

Description of Property:

Date Entered

1D 6

TAPE# 16987

ONE CASSETTE CONTAINING TELCAL DATED [REDACTED]

b6
b7C
b7D

Barcode: E02407880

Location: ELSUR

CAB28

S2

07/31/2000

Case Number: 194A-SI-50818 - 1D6
Owning Office: SPRINGFIELD

RECEIVED
JUL 31 2000

BY: [Signature]

09/01/00
11:18:54

FD-192

ICMIPR01
Page 1

Title and Character of Case:

RYAN, GEORGE
[REDACTED]

Date Property Acquired: 08/23/2000
Source from which Property Acquired: SI CM# 00-281

b6
b7C

Anticipated Disposition: Acquired By:

Case Agent:

Description of Property:
1D 7

Date Entered

TAPE# 17124

ONE CASSETTE CONTAINING TELCAL DATED [REDACTED]
[REDACTED]

b6
b7C
b7D

Barcode: E02408014

Location: ELSUR

CAB28

S4

09/01/2000

Case Number: 194A-SI-50818 - 1D7
Owning Office: SPRINGFIELD

Tape 17124

SEP 6 2000

11/20/00
16:24:02

FD-192

ICMIPR01
Page 1

Title and Character of Case:

RYAN, GEORGE

Date Property Acquired: 11/10/2000
Source from which Property Acquired: SI CM# 00-407

b6
b7C

Anticipated Disposition: Acquired By:

Case Agent:

Description of Property:
1D 9

Date Entered

TAPE# 17627

ONE CASSETTE CONTAINING TELCAL DATED

b6
b7C
b7D

Barcode: E02412517

Location: ELSUR

CAB29

S6

11/20/2000

DEC 21 2000

SLSPH

Case Number: 194A-SI-50818 - 189
Owning Office: SPRINGFIELD

Tape 17627

10/10/02
17:57:56

FD-192

ICMIPR01
Page 1

Title and Character of Case:

RYAN, GEORGE
[REDACTED]

Date Property Acquired: 10/07/2002 Source from which Property Acquired: [REDACTED]

b6
b7C

Anticipated Disposition: Acquired By: [REDACTED]

Case Agent: [REDACTED]

Description of Property:

1D 10

Date Entered

TAPE# 19676

ONE CASSETTE CONTAINING [REDACTED]

b6
b7C
b7D

VOLUNTEERED

Barcode: E02506126

Location: ELSUR

CAB35

S6

10/10/2002

Volume One
in
SP

Case Number: 194A-SI-50818
Owning Office: SPRINGFIELD

OCT 29 2002

RAS/m

Tape 19676

06/02/03
14:52:23

FD-192

ICMIPR01
Page 1

Title and Character of Case:

RYAN, GEORGE
[REDACTED]

Date Property Acquired: 04/29/2003
Source from which Property Acquired: SI CM #03-34

b6
b7c

Anticipated Disposition: Acquired By: [REDACTED]

Case Agent: [REDACTED]

Description of Property:
1D 11

Date Entered

TAPE #20023

CASSETTE TAPE OF TELCAL ON [REDACTED]
[REDACTED]

b6
b7C
b7D

Barcode: E02506462

Location: ELSUR

CAB36

S6

05/30/2003

Case Number: 194A-SI-50818 - 1D 11
Owning Office: SPRINGFIELD

Tape
20023

JUN 04 2003

RAS/ML

(01/26/1998)

FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 12/16/1999

To: Springfield

From: Springfield

Squad 4

Contact: SA [redacted]

Approved By: [redacted]

b6
b7C

Drafted By: [redacted]:elj

Case ID #: 194A-SI-

Title: GEORGE RYAN, Illinois Governor;

b6
b7C

HOBBS ACT - CORRUPTION OF STATE AND LOCAL OFFICIALS

Synopsis: Request case be opened and assigned to SA [redacted]

b6
b7C

Details: On 12/7/1999 Special Agents [redacted] and [redacted] interviewed [redacted]

b6
b7C
b7D

[redacted] who advised that [redacted] has information that various individuals within the George Ryan administration converted approximately 1.8 million dollars from the operational budget to fund campaign expenses during the campaign of George Ryan for Illinois Governor.

[redacted] named [redacted]

b6
b7C
b7D

[redacted] as all being involved in the providing of false invoices for payments to cover the expenditures from Illinois Driver Services Department, Vehicles Services Department, and Index Department to fund the campaign of George Ryan.

5/9/02
followed file.
SA/ABR SIG. NOT
ON opening EC. Not
Handled. See serial
9 + Attached PD-759.

O: A to SA [redacted]

CPI: None

12/16/99 [redacted]

12/16/99

b6
b7C

194A-SI-50818-1
SEARCHED INDEXED
SERIALIZED FILED
DEC 16 1999
FBI - SPRINGFIELD
BLS/mm

ELJ 35002.EC ✓

194A-SI-50818-2

John G. B.

5/15/11

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 12/16/1999

[redacted] date of birth [redacted]
[redacted] Social Security Account Number [redacted] was
contacted at [redacted] place of employment, [redacted]
[redacted] telephone [redacted] where after being advised of the
identities of the interviewing agents provided the following
information:

[redacted] stated [redacted]
[redacted]
[redacted] advised [redacted] currently
resides at [redacted] telephone [redacted]

[redacted] was advised that the purpose of the interview
was to obtain details of [redacted]
[redacted] concerning allegations within Governor GEORGE
RYAN's administration.

[redacted] stated that [redacted]
[redacted]
[redacted] stated
[redacted]
[redacted] provided [redacted] home phone number [redacted] and
[redacted] work number as [redacted] stated that [redacted]
[redacted]
[redacted] stated [redacted]
understands that [redacted] was previously employed in [redacted]
[redacted] of the then Illinois Secretary of State, GEORGE RYAN's
administration.

[redacted] related [redacted]
[redacted] stated approximately 1.8 million dollars from the
operational funds of the Illinois Secretary of State's office was
used by GEORGE RYAN's administration for campaign expenses.

[redacted]
[redacted] These funds were allegedly used to help fund the campaign
budget for GEORGE RYAN's campaign for Illinois Governor.
[redacted] stated [redacted]

Investigation on 12/07/1999 at Springfield, Illinois

File # 194A-SI-50818

Date dictated 12/07/1999

SA [redacted]

b6

by SA [redacted] elj

b7C

ELJ 35001, 302

b6
b7C
b7D

194A-SI-

Continuation of FD-302 of [REDACTED]

b6

b7C

b7D

, On 12/07/1999, Page 2

[REDACTED]

[REDACTED] understands that there was approximately 1.8 million dollars hidden within these three department's budgets that were used for the RYAN campaign. [REDACTED] explained that there were false invoices turned in for payment out of these various budgets that were actually turned in for expenses incurred for the RYAN campaign. [REDACTED]

b6
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b7D

[REDACTED]

[REDACTED] stated [REDACTED] understands the funds were used during 1995 and 1996.

[REDACTED]

[REDACTED] campaign funds for GEORGE RYAN's run for Illinois Governor. [REDACTED] stated that [REDACTED] was involved with a commercial drivers license scandal now being investigated. [REDACTED] stated that [REDACTED]

[REDACTED]

[REDACTED]

b6
b7C
b7D

[REDACTED]

[REDACTED] the expenses for the RYAN campaign that came from the three previously mentioned departments

b6
b7C
b7D

194A-SI-

Continuation of FD-302 of [REDACTED] b6
b7C , On 12/07/1999 , Page 3
b7D

[REDACTED]

b6
b7C
b7D

[REDACTED] 1.8 million dollar expenditures from the
three departments' budgets for the RYAN campaign. [REDACTED]

[REDACTED] 1.8 million dollar expenditure [REDACTED]
[REDACTED] SCOTT FAWELL also knows of the 1.8
million dollar expenditures.

[REDACTED]
was involved in the selling of personal drivers licenses for
campaign contributions to the RYAN campaign. [REDACTED]

b6
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b7D

[REDACTED]
collected money at the Commercial Drivers License facilities for
RYAN's campaigns.

b6
b7C
b7D

[REDACTED] stated that [REDACTED] is aware that the FBI
was speaking with [REDACTED] and is willing to cooperate and also speak
with the FBI.

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b7D

194A-SI-50818-3

SEARCHED	INDEXED
SERIALIZED	FILED
DEC 27 1999	
FBI - SPRINGFIELD	
[Signature]	

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 12/21/1999

[redacted] date of birth [redacted]
[redacted] Social Security Account Number [redacted] was
interviewed in the offices of the FEDERAL BUREAU OF INVESTIGATION
with the assistance of Illinois Secretary of State Inspector
General DON STROM.

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[redacted] stated [redacted] currently resides at [redacted]
[redacted] home telephone
number [redacted] and work telephone [redacted] stated
[redacted]

[redacted] was advised that the purpose of the interview
was concerning information [redacted]
[redacted]

Investigation on 12/09/1999 at Springfield, IllinoisFile # 194A-SI-50818Date dictated 12/11/1999by SA [redacted]/elj b6
b7C

ELJ 35504.302

194A-SI-50818

Continuation of FD-302 of [REDACTED]

, On 12/09/1999, Page 2

[REDACTED]
[REDACTED] issues that came up within the RYAN
administration. [REDACTED] stated [REDACTED]

[REDACTED]
[REDACTED] believes that this
[REDACTED]
stated [REDACTED]

[REDACTED]

[REDACTED] stated [REDACTED]

[REDACTED]

[REDACTED] stated that [REDACTED]
[REDACTED] SCOTT FAWELL, Chief of Staff for GEORGE RYAN. [REDACTED]
[REDACTED]
[REDACTED] GEORGE RYAN [REDACTED]
[REDACTED]

b6
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b7D

[REDACTED] stated that [REDACTED]
[REDACTED]

^ [REDACTED] stated that [REDACTED]
[REDACTED]

[REDACTED] stated that [REDACTED]

[REDACTED]

194A-SI-50818

Continuation of FD-302 of [REDACTED], On 12/09/1999, Page 3

[REDACTED]

[REDACTED] stated that [REDACTED] is currently the
[REDACTED] and works for
[REDACTED] in [REDACTED]

[REDACTED] stated that [REDACTED] believes the Commercial
Drivers License (CDL) scandal currently being investigated in
Chicago, [REDACTED]

[REDACTED] stated it is [REDACTED] belief
that [REDACTED]

[REDACTED] stated that [REDACTED] Last Name Unknown (LNU) who
was [REDACTED]
[REDACTED] the RYAN campaign [REDACTED]
[REDACTED]

[REDACTED] stated that [REDACTED] can substantiate
all this information because [REDACTED]
[REDACTED]

b6
b7C
b7D

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 12/21/1999

[redacted] provided written permission to record a telephone conversation with [redacted]
[redacted] telephone number [redacted]

The following is a log of times and events that took place during the recording of a telephone conversation between

b6
b7C
b7D

Also present during the consensual recording of the telephone conversation was Illinois Secretary of State Inspector General DON STROM.

144-21-50018-1
SEARCHED INDEXED
SERIALIZED FILED
DEC 27 1999
FBI - SPRINGFIELD
543 M/M

Investigation on [redacted] at Springfield, Illinois (telephonically)

File # 194A-SI-50818

Date dictated 12/11/1999

by SA [redacted] /elj

b6
b7C
b7D

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

35505.302



U.S. Department of Justice

Federal Bureau of Investigation

In Reply, Please Refer to
File No. 194A-SI-50818

400 West Monroe Street
Suite 400
Springfield, Illinois 62704
December 23, 1999

Honorable Frances C. Hulin
United States Attorney
Central District of Illinois
Federal Building, Room 312
600 East Monroe Street
Springfield, Illinois 62701

Attention:
Assistant United States Attorney

(Handwritten: X) SGN/lb

Dear Mrs. Hulin:

For your information, I am enclosing a letterhead memorandum which may be of interest to you. If you have any questions regarding this communication, please feel free to call SA or SSA at .

b6
b7c

Sincerely,

Donald B. Whitehead
Special Agent in Charge

By:
Supervisory Special Agent

Enclosure

- 2 - Addressee
② - Springfield (194A-SI-50818)

SGN/kan *(Handwritten signature)*
(4)

KAN 35705.0TH

194A-SI-50818-5

SEARCHED	INDEXED
SERIALIZED	FILED
JAN 04 2000	
FBI - SPRINGFIELD	

(Handwritten signature)

KAN 357 04. OTH /

194A-51-50818-6

SEARCHED	INDEXED
SERIALIZED	FILED
DEC 29 1999	
FBI - Springfield	



U.S. Department of Justice

Federal Bureau of Investigation

In Reply, Please Refer to
File No.

Springfield, Illinois 62704
December 23, 1999

GEORGE RYAN,
Illinois Governor;



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b7C

(X)

HOBBS ACT - CORRUPTION OF
STATE AND LOCAL PUBLIC
OFFICIALS - STATE LEVEL

On December 7, 1999, the Springfield Division received information from the FEDERAL BUREAU OF INVESTIGATION (FBI), Chicago Division, that [REDACTED]

[REDACTED] had information concerning various individuals within the administration of Governor GEORGE RYAN who converted approximately 1.8 million dollars from their operational budgets to fund campaign expenses during the campaign of GEORGE RYAN for Illinois Governor. The FBI, Chicago Division, is currently conducting additional investigations involving various individuals within Governor RYAN's administration and developed the above information and forwarded it to the Springfield Division. Working in concert with the Chicago Division is SOS Inspector General DON STROM who is also aware of the above allegations. During the interview of [REDACTED] on December 7, 1999, it was determined that [REDACTED]

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[REDACTED]

[REDACTED] Governor RYAN. [REDACTED] named [REDACTED]

[REDACTED]

[REDACTED] as being involved in

SA [REDACTED] /kan [REDACTED]
194A-SI-50818
(7)

1 copy furnished to the USA, CDI,
Attention: AUSA [REDACTED]

b6
b7C

GEORGE RYAN

the providing of false invoices for compensation to cover campaign expenses. The invoices were submitted to the SOS OFFICE for payment from the budgets of the Illinois Driver Services Department, Vehicle Services Department, and the Index Department.

On December 9, 1999, [redacted] was interviewed concerning [redacted] the conversion of state funds to campaign funds by the RYAN Administration. [redacted] advised that while an employee of the Illinois SOS in approximately [redacted] approached [redacted] and advised [redacted] that [redacted] would have to raise campaign funds for the RYAN Administration in order for [redacted] to maintain her job. [redacted] stated that [redacted] at that time, was [redacted] for the Illinois SOS OFFICE. [redacted] advised that [redacted] did sell campaign tickets for various fund raisers for Governor RYAN [redacted] [redacted] to raise additional money for the RYAN campaign. [redacted] stated [redacted]

[redacted] identified [redacted] SCOTT FAYWELL, RYAN's Chief of Staff, [redacted]

[redacted] GEORGE RYAN [redacted] [redacted] stated that [redacted]

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b7C
b7D

GEORGE RYAN

[REDACTED]

b6
b7C
b7D

On [REDACTED] a consensually recorded telephone conversation was made between [REDACTED]. During this recorded telephone conversation, [REDACTED]

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b7C
b7D

On December 10, 1999, [REDACTED] Internal Auditor, SOS OFFICE, was interviewed, [REDACTED]

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b7D

[REDACTED] On December 22, 1999, those involved with the investigation in Springfield, Illinois, will travel to the Chicago Division to meet with investigators and the U.S. ATTORNEY'S OFFICE to discuss their respective investigations.

[REDACTED] advised on December 20, 1999, that [REDACTED] had recorded a telephone conversation with [REDACTED]. During the meeting in Chicago on December 22, 1999, it will be discussed whether to ask [REDACTED] to wear a recording device to record [REDACTED] conversation with [REDACTED]

b6
b7C
b7D

The Springfield Division will work with the Chicago Division to develop further information concerning these allegations and will keep FBI HEADQUARTERS advised of the progress.

AUSA [REDACTED] Central District of Illinois, is aware of the allegations and concurred with the recording of the telephone conversation with [REDACTED] by [REDACTED] and concurs with the recording of the conversation [REDACTED] on [REDACTED] between [REDACTED]

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b7D

(01/26/1998)

FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 12/23/1999

To: Criminal Investigative

Attn: Corruption/Civil Rights
Section, Public Corruption
Unit, SSA [redacted]

From: Springfield

Squad 4/Headquarters

Contact: SA [redacted]

Approved By: [redacted]

Drafted By: [redacted]:kan

Case ID #: 194A-SI-50818 (Pending)

Title: GEORGE RYAN,
Illinois Governor;



b6
b7C

HOBBS ACT - CSLPO

b6
b7C

X
SEN/

Synopsis: Provide LHM to FBIHQ reporting [redacted]

b7E

Administrative: Re Springfield telcall of SAs [redacted] and [redacted]
[redacted] to SSA [redacted] FBIHQ, on 12/15/1999.

b6
b7C

One copy of the LHM is being provided to the USA, CDI,
Attention: AUSA [redacted]

Enclosure(s): Original and three copies of an LHM suitable for dissemination.

Details: Captioned matter was opened as a [redacted]
[redacted] on 12/16/1999. AUSA [redacted] CDI, is aware
of, and concurs with, this investigation.

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b7C
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♦♦

KAN 35703, EC

194A-SI-50818-7

SEARCHED	INDEXED
SERIALIZED	FILED
DEC 29 1999	
FBI-SPRINGFIELD	



OFFICE OF THE SECRETARY OF STATE

JESSE WHITE • Secretary of State

MEMORANDUM

DATE: December 22, 1999

TO: Don Strom

FROM:

[Redacted]

DD.

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b7D

SUBJECT:

[Redacted]

On 12/15/99 at approximately 12:10 p.m. Inspector [Redacted] met with [Redacted]
[Redacted] The
purpose for meeting with [Redacted] was to make a tape recording of [Redacted]
[Redacted] indicates [Redacted]
[Redacted]

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[Handwritten signature]

194A-5E-50818-8

SEARCHED INDEXED
SERIALIZED FILED
JAN 3 2000
FBI - SPRINGFIELD

(01/26/1998)

FEDERAL BUREAU OF INVESTIGATION

Precedence: PRIORITY

Date: 01/04/2000

To: SPRINGFIELD

Attn: Public Corruption
Squad

Attn: Elsur File Assistant

From: Criminal Investigative

Corruption/Civil Rights Section/Public Corruption Unit

Contact: Program Assistant [redacted] ext [redacted]

Approved By: [redacted] *[Signature]*

b6
b7C

Drafted By: [redacted]:sb

Case ID #: 194A-SI-50818 (Pending)

Title: GEORGE RYAN;
ET AL
CSLPO - STATE LEVEL
OO: SI

Synopsis: To advise Springfield Division of FBIHQ approval for consensual monitoring, beginning [redacted] and ending [redacted] requested [redacted]

Enclosure(s): Enclosed for Springfield is [redacted] with approval.

b7E

Details: The Public Corruption Unit (PCU), Corruption/Civil Rights Section/Criminal Investigative Division (CID), FBIHQ has authorized you to use a transmitting and/or recording device. This authority is granted for a 90-day period, commencing [redacted] and ending [redacted]

In the event renewal of this authorization is required, submit your request with full justification at least seven days prior to the expiration of the existing authorization, in compliance with MIOG, Section 1010.3 (9).

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Lead assigned
SA [redacted] 1/18/00

Lead covered
1/18/00

[Signature]
1-4-00

SEARCHED <i>[initials]</i>	INDEXED <i>[initials]</i>
SERIALIZED <i>[initials]</i>	FILED <i>[initials]</i>
JAN 10 2000	
FBI - SPRINGFIELD	

194A.SI.50818.9

CCTO
194A-SI-50818-EA
66F-2928
1-10-00
Set for 3-9-00
[Signature]

To: SPRINGFIELD om: Criminal Investigati
Re: 194A-SI-50818, 01/04/2000

LEAD(s) :

Set Lead 1: (Adm)

SPRINGFIELD

AT SPRINGFIELD, ILLNOIS

For information and appropriate action.

♦♦

194A-51-50818-D

SEARCHED	INDEXED
SERIALIZED	FILED
DEC 29 1999	
FBI - SPRINGFIELD	

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 12/21/1999

[redacted] date of birth [redacted]
Social Security Account Number [redacted] was contacted at [redacted]
office, [redacted] telephone
number [redacted] where [redacted] was interviewed with the assistance of
Illinois Secretary of State Inspector General DON STROM.

[redacted] stated [redacted] resides at [redacted]
[redacted] home telephone number [redacted]

[redacted] stated [redacted] is currently an Internal Auditor II and
has worked as an Internal Auditor for the Illinois Secretary of
State's office since [redacted]

[redacted] stated as an Internal Auditor [redacted] reviews books and
records and how they relate to operations within the Secretary of
State's office. [redacted] explained that there is an audit plan that
each department is scheduled for an internal audit every two years,
but audits do take place by request in addition to the planned two
year cycle.

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[redacted] was asked [redacted]
[redacted]

[redacted] stated [redacted]
[redacted]
[redacted] RYAN who was running for Illinois
Governor.

Investigation on 12/10/1999 at Springfield, Illinois

File # 194A-SI-50818

Date dictated 12/11/1999

by SA [redacted]/elj b6
b7C

ELJ 35504.302 ✓

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 01/10/2000

[redacted] provided an original cassette tape
of a telephone conversation [redacted] recorded with [redacted]
[redacted] stated that [redacted]

[redacted]
stated that [redacted]
[redacted]

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Also present during the interview of [redacted] was
Illinois Secretary of State Inspector General DON STROM.

194A-SI-50818-11

SEARCHED	INDEXED
SERIALIZED	FILED
JAN 11 2000	
FBI - SPRINGFIELD	

mck 01002.302 ✓

Investigation on 12/20/1999 at Springfield, IllinoisFile # 194A-SI-50818Date dictated 12/21/1999by SA [redacted] /mckb6
b7C

FEDERAL BUREAU OF INVESTIGATION

Precedence: PRIORITY

Date: 01/19/2000

To: SPRINGFIELD

Attn: Public Corruption
Squad

Attn: Elsur File Assistant

From: Criminal Investigative
Corruption/Civil Rights Section/Public Corruption Unit
Contact: Program Assistant [redacted] ext [redacted]

Approved By: [redacted] *ms*

b6
b7C

Drafted By: [redacted]:sb

Case ID #: 194A-SI-50818 (Pending)

Title: GEORGE RYAN;
ET AL
CSLPO - STATE LEVEL,
OO: SI

Synopsis: To advise Springfield Division of FBIHQ approval for consensual monitoring, beginning [redacted] and ending [redacted] requested [redacted]

Enclosure(s): Enclosed for Springfield is [redacted] with approval.

b7E

Details: The Public Corruption Unit (PCU), Corruption/Civil Rights Section/Criminal Investigative Division (CID), FBIHQ has authorized you to use a transmitting and/or recording device. This authority is granted for a 90-day period, commencing [redacted] and ending [redacted]

In the event renewal of this authorization is required, submit your request with full justification at least seven days prior to the expiration of the existing authorization, in compliance with MIOG, Section 1010.3 (9).

[Handwritten signature]
[redacted]

SEARCHED	INDEXED
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JAN 25 2000	
FBI - CHICAGO	

[Handwritten signature]

(N)

194A.SI.50818 12

To: SPRINGFIELD from: Criminal Investigati
Re: 194A-SI-50818, 01/19/2000

LEAD(s) :

Set Lead 1: (Adm)

SPRINGFIELD

AT SPRINGFIELD, ILLINOIS

For information and appropriate action.

♦♦

(01/26/1998)

FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 01/24/2000

To: Criminal Investigative

Attn: Corruption/Civil Rights
Section, Public Corruption
Unit, SSA [redacted]
SSA [redacted]
Tysons Corner
SSA [redacted]

WFO

Chicago

From: Springfield
Squad 4

Contact: SA [redacted]

Approved By: [redacted]

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b7C

Drafted By: [redacted] :sgn

Case ID #: 194A-SI-50818-13 (Pending)

Title: GEORGE RYAN,
Illinois Governor;

[redacted]
HOBBS ACT - CSLPO

Synopsis: Travel of Illinois Secretary of State Inspector General Don Strom and Springfield SA [redacted] to [redacted] for interview of [redacted] on 1/26-27/2000.

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Administrative: Springfield telcal of SA [redacted] to SSA [redacted] FBIHQ and SSA [redacted] WFO, 01/24/00. EC/LHM to FBIHQ, 12/23/99.

Details: Springfield Division continues to work in concert with Chicago Division investigating allegations of corruption within the Illinois Secretary of States' Office while George Ryan was Illinois Secretary of State (IL-SOS). The three main areas of the investigation involve bribes at IL-SOS driver license facilities from individuals attempting to receive commercial Illinois driver's licenses with bribe money allegedly commingled with Ryan's campaign funds; misuse of state funds for both personal and political gain by Ryan; and fraud surrounding the leasing of office space from political allies contributing to Ryan's campaign.

Springfield developed a Cooperating Witness that provided information that there was misuse of State funds in Ryan's campaign; misuse of Ryan's campaign funds for personal expenses; and issuance

194A-SI-50818-13

SEARCHED	INDEXED
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JAN 24 2000	
FBI - SPRINGFIELD	

SGN 62401 EC

To: Criminal Investigative From: Springfield
Re: 194A-SI-50818, 01/24/2000

of no bid contracts to supporters/friends of Ryan for office space beyond what is customary and normal. CW stated that [redacted]

[redacted]
[redacted] Ryan had used campaign funds for personal use [redacted]
[redacted]

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On [redacted] CW recorded a telephone conversation with

[redacted]

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[redacted]
[redacted] On 1/26/00, Springfield SA [redacted] and IL-SOS IG Strom will attempt to interview [redacted] is not a subject nor is [redacted] a target and is only being contacted for [redacted] assistance in this investigation.

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The interview of [redacted] is being conducted with the concurrence of the United States Attorney's Office for the Central District of Illinois & Northern District of Illinois. SAC Springfield and ADIC Washington Field Office concur will above travel.

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 01/12/2000

The following is a log of times and events that took place during a consensually recorded conversation that took place on [redacted] between [redacted] at [redacted]

[Redacted area]

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Also present for the placing of the recorder on [redacted] was Illinois Secretary of State Inspector General DON SIROM.

Investigation on 12/23/1999 at Springfield, IllinoisFile # 194A-SI-50818 14 PLA Date dictated 12/27/1999by SA [redacted] SGN/ralb6
b7C

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 01/31/2000

[redacted] date of birth [redacted]
[redacted] Social Security Account Number [redacted] was interviewed
with the assistance of DON STROM, ILLINOIS SECRETARY OF STATE
Inspector General, at [redacted] was
interviewed after being advised of the identities of the
interviewing officers after the showing of their credentials.
[redacted] advised [redacted] resides at [redacted]
home telephone number [redacted] and [redacted] work
[redacted]

[redacted] was advised that [redacted] was being contacted
concerning the investigation of the ILLINOIS SECRETARY OF STATE'S
OFFICE, and [redacted] assistance was being requested concerning the
investigation and that [redacted] was not a subject of the investigation.

[redacted] was asked to provide a background of [redacted] work
experience. [redacted] advised that [redacted] is currently [redacted]

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[redacted] was asked what knowledge [redacted] had concerning the
current investigation of the selling of commercial drivers licenses
by Drivers License Facility employees. [redacted] stated [redacted] could
understand how people might feel they were required to sell
campaign tickets in order to get promotions, because there was a
lot of pressure being placed on employees within the SECRETARY OF
STATE's office in order for them to raise campaign funds by the
selling of tickets. [redacted] stated [redacted]

[redacted]
that [redacted] placed a lot of pressure on [redacted] employees to purchase

Investigation on 1/26/2000 at [redacted]File # 194A-SI-50818 *15*Date dictated 1/28/2000b6
b7Cby SA [redacted] *elj*

194A-SI-50818

Continuation of FD-302 of [REDACTED]

, On 1/26/2000 , Page 2

fund raising tickets. [REDACTED] stated that [REDACTED] wanted people to think there were no problems in [REDACTED] area. [REDACTED] believed [REDACTED] would have created an environment that hid problems. [REDACTED] stated [REDACTED]

[REDACTED]

also put a lot of pressure on employees to raise campaign funds, but [REDACTED] was like [REDACTED] in that the employees were afraid of them. [REDACTED]

[REDACTED]

[REDACTED] believes that [REDACTED] felt like the way to receive recognition was to physically show that he could raise campaign funds. [REDACTED] stated that later SCOTT FAWELL became the Chief of Staff for RYAN at the SECRETARY OF STATE'S OFFICE. [REDACTED] stated there was so much pressure placed on the employees under [REDACTED] that you could see why they felt the need to [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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b7C
b7D

194A-SI-50818

Continuation of FD-302 of [REDACTED]

, On 1/26/2000 , Page 6

[REDACTED] stated if anyone knew whether there was legitimately [REDACTED] [REDACTED] it would be [REDACTED] explained that [REDACTED] may sound like a lot of money, but with the volume of money that is spent by the SECRETARY OF STATE'S OFFICE, it was possible that there could be [REDACTED] missing, but if there was money missing, [REDACTED] would know about it.

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[REDACTED] agreed to answer any questions in the future and would attempt to identify the [REDACTED] that had information concerning the [REDACTED] missing from the Secretary of State budget.

- 1 -

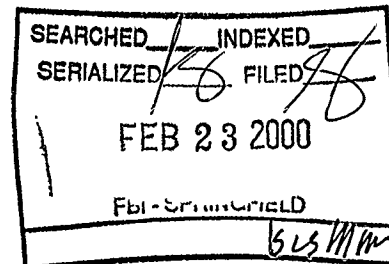
FEDERAL BUREAU OF INVESTIGATION

Date of transcription 02/22/2000

[redacted] General Counsel's Office, Secretary of State's Office, Room 298-Howlett Building, Springfield, IL released an IBM Personal Computer, model 350, Serial #78Y1409 P133, Property Control #101921 to SA [redacted] on 2/22/00 at 10:10 a.m..

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The computer was placed into evidence by SA [redacted] on 2/22/00. A receipt for the computer was signed by SA [redacted] and [redacted] It has been placed in a 1A envelope and has been sent to the file.

Investigation on 2/22/00 at Springfield, ILFile # 194A-SI-50818 ✓ 14 Date dictated 2/22/00by SA [redacted] b6
b7C

JRT05301.302

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 02/09/2000

On 2/9/00 at 9:40 a.m. SA [] and SA [] received from [] Office of the Secretary of State, State of Illinois, two computers (CPUs only). The CPUs are identified as follows: 1 IBM Personal Computer, Model 300 PL, Serial #23A102F, Secretary of State Property Control #0111547; 1 IBM Personal Computer, Model 350, Serial #555ZB01 P166, Secretary of State Property Control #0107542. Ⓟ

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SA [] and [] signed a receipt acknowledging SA [] taking possession of the two computers. The receipt copy has been placed in a 1A envelope. The computers will be placed into evidence.

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FBI-SPRINGFIELD	

Investigation on 2/9/00 at Springfield, ILFile # 194A-SI-50818-17 Date dictated 2/9/00by SA [] SA []
b6
b7c

JRT04002.302

Receipt For Equipment

The undersigned hereby acknowledges receiving from the Office of the General Counsel, Secretary of State, State of Illinois, the following computer equipment:

One IBM Personal Computer Model 300PL
(CPU only - monitor and keyboard not Included)
Serial #23A102F
Secretary of State Property Control #0111547

One IBM Personal Computer Model 350
(CPU only - monitor and keyboard not Included)
Serial #555ZB01 P166
Secretary of State Property Control #0107542



Received this 9th day of February, 2000, by

SA 

FBI, SI

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b7C

Received from

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 02/08/2000

On February 5, 2000, DON STROM provided copies of invoices for work and materials for the Illinois Secretary of State's facility located at 18th and Adams, Springfield, Illinois. STROM explained that the records were originally obtained by [redacted] Legal Council for the Illinois Secretary of State's office, who provided them to [redacted] Legal council for the Illinois Secretary of State's office, to STROM. STROM stated that the original documents are allegedly being maintained by the [redacted] STROM stated allegedly that [redacted] and [redacted] [redacted] for the Illinois Secretary of State's office, have copies of the invoices and vouchers for 1800 East Adams Springfield, Illinois. STROM stated that allegedly these vouchers were not paid because the expenses were incurred prior to the leasing of the property by the Illinois Secretary of State's office.

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STROM stated that he understands that the previous administration of the Illinois Secretary of State, decided to amend the lease at 1800 East Adams to increase the rent by \$300,000 to cover the expenses of these vouchers to bring the building into tenantable condition. These vouchers were allegedly kept at 1800 East Adams by [redacted] who reportedly was responsible for the labor used on this building.

STROM stated it is unknown at this time exactly how these invoices were paid, but it is believed that the rent on the 1800 East Adams property was raised by \$300,000 to cover these expenses.

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FEB 15 2000	
FBI - SPRINGFIELD	

Investigation on 2/5/2000 at Springfield, IllinoisFile # 194A-SI-50818-18 Date dictated 2/7/2000by SA [redacted] b6
SA [redacted] /elj b7c

22503901.302

- 1 -

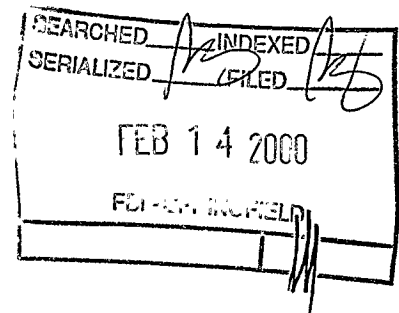
FEDERAL BUREAU OF INVESTIGATION

Date of transcription 02/11/2000

On 2/11/00 at 11:45 a.m. SA [] and SA [] received from Investigator [] Inspector General's Office, Illinois Secretary of State, two IBM Personal Computers. One is identified by property control #0108093 and serial #558N3CA, with the other being identified by property control #0108092, and serial #558N3BW.

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A receipt acknowledging SA [] taking possession of the two computers was signed by SA [] and Investigator []. The receipt was placed in an evidence envelope for the file. The computers have been placed into evidence.

Investigation on 2/11/00 at Springfield, IllinoisFile # 194A-SI-50818-19 Date dictated 2/11/00by SA [] SA [] b6
b7C

JRY04201.302

194A-SI-50818
KAA:kaa

1

On February 23, 2000, SA [] contacted [] regarding her knowledge of the updating of the computers seized by the FBI. [] advised that the computers seized on February 11, 2000, the IBM computers with serial #558N3CA, and 558N3BW, were dated February, 1998. The IBM computer seized from the personal room with serial number 7841409 was an older model and dated December 1996. [] thought the two seized on February 9, 2000, serial numbers, 23A102F, and 555ZB01 were the older models but she would double check.

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194A-SI-50818 - 20

SEARCHED	INDEXED
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FEB 24 2000	
FBI - SPRINGFIELD	

KAA 05403. INS ✓

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 02/23/2000

On February 23, 2000, one IBM personal computer, model 350 with serial number 23BLWU7P166, and Secretary of State Property Control number 102188, was obtained from [redacted] by the below agents. A copy of the receipt for this will be located in a 1a envelope.

[redacted] advised that this computer came from [redacted] room. [redacted] stated that the computer formerly belonged to [redacted] (phonetic) who was [redacted]

[redacted] stated that [redacted] also utilized a laptop computer which could not be located at this time. [redacted] stated that [redacted] reported his laptop stolen two weeks ago and was uncertain if the thief may have thought they were actually stealing [redacted] laptop.

[redacted] advised that approximately a year ago several of the computers were upgraded. [redacted] stated that [redacted] in property services would have information on this.

[redacted] stated that the computer which was seized on February 23, 2000, an IBM personal computer model 350, serial number #7841409 P133 came from [redacted] also stated that one of the computers seized on February 9, 2000, came from [redacted] and formerly belonged to [redacted]

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SEARCHED	INDEXED
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FEB 24 2000	
FBI - SPRINGFIELD	

KAA 05402.302 ✓

Investigation on 02/23/00 at Springfield, IllinoisFile # 194A-SI-50818 - 21 Date dictated 02/23/00by SA [redacted] b6
SA [redacted] b7c

FBI probe focuses on mystery room

Ryan aide allegedly could tap into personnel database

By JOE MAHR

STATE CAPITOL BUREAU

Room 548 of the Howlett Building in the state Capitol complex has the appearance of an old janitor's closet.

It's drawn the attention of federal prosecutors, however, as questions now center on how much of a role the former bathroom played in a structured system to garner political donations

from secretary of state employees during George Ryan's tenure.

A former computer manager in the office said he told an FBI agent this week of coordinating access to the agency's personnel database for a top Ryan aide, Janine Oxencis, in the mid-1990s. Oxencis worked out of the room.

"It seemed kind of strange because she worked directly for the front (office), and there was just a lot of things that seemed strange with Ryan," said Ronald Mooney of Pawnee. "We kind of said at the time, 'What's going on?' But we got the (required) paperwork, so we completed it."

Agencies typically restrict access to employee files to very few administrators outside the personnel department. Under current Secretary of State Jesse White, only White, his inspector

general and his chief of staff have such clearance, said White spokesman Dave Druker.

"We respect the confidentiality of the employees in this office. We feel very strongly that we try to maintain that security as best we can," Druker said.

A government watchdog group cites Oxencis' alleged access to personnel records as a key ingredient to its theory that Ryan's aides kept track of each employee's campaign fund-raising ticket purchases. They claim the pressure to give was so intense it led several secretary of state workers in the Chicago area to take bribes from unqualified truckers.

So far, 22 people have pleaded guilty as part of a scheme to trade bribes for truckers' licenses. Federal investigators say as much as \$170,000 in bribe money ended up in Ryan's

campaign fund.

Now the governor, Ryan has denied he knew about the bribes. His longtime friend and inspector general while secretary of state, Dean Bauer, has been charged with covering up the bribery scandal to avoid political embarrassment for Ryan.

For years, and particularly through Ryan's successful campaign for governor in 1998, the Republican's aides have insisted that they ran a low-key fund-raising operation.

But several employees have complained that their bosses frequently pressured them to buy tickets, and at least one former administrator has described a ticket-selling operation that was

(Indicate page, name of newspaper, city and state.)

Page 1
STATE JOURNAL REGISTER
SPRINGFIELD, IL

Date:

Edition: 3/4/2000

Title:

Character:

or

194A-SI-50818

Classification:

Submitting Office:

SPRINGFIELD

Indexing:

See RYAN on page 4

194A-SI-50818-22

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MAR 24 2000	
FBI - SPRINGFIELD	

SL5/MK

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FBI/DOJ

RYAN

From page 1

anything but low-key.

Former physical services director Alex Nelson gave a deposition this fall in a civil lawsuit filed by a janitor who claimed he was pressured to buy a Ryan campaign fund-raising ticket. Nelson said that executive staffers — including Ryan's closest aides and their assistants — routinely directed his department to solicit employees to buy tickets.

Nelson said his assistant, Robert Newbold, took direction from executive staffers for such political activities.

"Rob Newbold had a lot of interaction with the executive staff, and that would probably be the limits. Now, as far as who was responsible for doing

what or how those roles broke down in the executive staff, I honestly don't know," Nelson said in the deposition.

Enter Room 548.

Newbold, between his stints on Ryan campaigns, reportedly spent time working in the room, although his duties there are unclear. Oxencis also worked in the room, ostensibly as a liaison between Ryan's chief of staff, Scott Fawell, and the various department heads.

Former secretary of state employees said they believed the L-shaped room was really the political patronage office, where jobs were doled out to Ryan's political allies. The doors were nearly always closed, and neighboring employees understood they weren't allowed inside. In fact, for some time, no room number was even posted on the door.

The Better Government Association, a group long critical of Ryan, contends that the patronage operation took on a new meaning under him.

The head of the Chicago-based

group, Terry Brunner, said he believes patronage overseers expanded their duties to coordinate a vast distribution system of campaign tickets, as well as keeping track of who bought what.

In the janitor's lawsuit, secretary of state employees said in depositions that they filled out ticket stubs, complete with their names and addresses, and sent them up the management chain along with their cash or checks. If they had bought tickets from someone other than their bosses, they were asked to give those ticket-stub numbers to their bosses so they could be sent up the management chain as well.

Two weeks ago, federal agents investigating the licenses-for-bribes scandal seized computer equipment from the fifth floor of the Howlett Building. Officials wouldn't say Friday whether the equipment came from Room 548.

Ryan spokesman Dennis Culloton said he didn't know what administra-

tive functions occurred in Room 548, and he didn't know Oxencis' and Newbold's specific administrative roles as Ryan employees. Oxencis is not named in a lawsuit filed by the BGA in Chicago. She worked in Ryan's campaign organization as a coordinator of volunteers and, between campaigns, was considered an employee of Ryan's front office.

Newbold is also not named in the group's civil action. In the janitor's lawsuit, Newbold denied that he had distributed tickets under Nelson. But he did offer that, when he worked for Ryan's 1994 campaign, he often gave department directors batches of 50 to 500 fund-raising tickets, insisting that such drop-offs were voluntary.

Oxencis and Newbold both now hold top positions at the Illinois Department of Transportation. They did not return repeated phone calls for comment this week.

Joe Mahr can be reached at 782-6882 or joe.mahr@sj-r.com.

194A-J-SD818-23

SEARCHED	INDEXED
SERIALIZED	FILED
MAR 13 2000	
FBI - SPRINGFIELD	
B. J. M. M.	

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 03/01/2000

[redacted] already familiar with the below Agent
was contacted regarding [redacted] knowledge of [redacted]

Upon hearing this,

[redacted] was asked to provide information regarding [redacted] knowledge of [redacted]

[redacted] stated that [redacted]

At the same time, [redacted] stated [redacted] learned that [redacted]

stated that [redacted]

The decision was made between [redacted]

[redacted] was told that following this, [redacted]

[redacted] (GEORGE) RYAN campaign. [redacted]
advised that [redacted] would have additional information on
this.

[redacted] then advised that [redacted]

[redacted] stated that [redacted]

Investigation on 02/25/2000 at Springfield, Illinois

File # 194A-SI-50818

Date dictated 02/28/2000

by SA [redacted] /mck

b6
b7C

MCK06102.302

b6
b7C
b7D

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 03/01/2000

[redacted] who is currently [redacted]
[redacted]

was contacted by the below Agent. [redacted] was made aware of the interviewing Agent's identity and the nature of the contact.

[redacted] was previously interviewed by Special Agent (SA) [redacted]
[redacted]

[redacted] was advised that the Agent was interested in [redacted]
knowledge of [redacted]

[redacted] advised
that [redacted]

b6
b7C
b7D

[redacted] advised that [redacted]
[redacted]

[redacted] stated that [redacted]
[redacted]

production would be rewarded and it would be rewarded through employee incentives and bonuses.

Investigation on 02/25/2000 at Springfield, Illinois

File # 194A-SI-50818-23 Date dictated 02/28/2000

by SA [redacted] /mck b6 b7C

194A-SL-50818-24

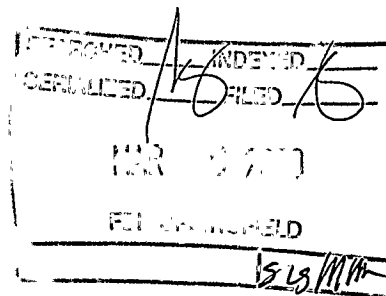
SEARCHED	INDEXED
SERIALIZED	FILED
MAR 13 2000	
FBI - SPRINGFIELD	
[Signature]	

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 03/03/2000

On March 1, 2000, SA [redacted] from the Springfield division of the FBI met with SA [redacted] from the Chicago division of the FBI. SA [redacted] transferred to SA [redacted] six IBM computers which were obtained through the Secretary of States general counsel. The appropriate chain of custody reports were also transferred to SA [redacted]

b6
b7CInvestigation on 03/01/00 at Chenoa, IllinoisFile # 194B-SI-50818 Date dictated 03/03/00by SA [redacted] b6
SA [redacted] b7C

KAA 06300302

194A-SI-50818-26

SEARCHED	INDEXED
SERIALIZED	FILED
MAR 13 2000	
FBI - SPRINGFIELD	
BLS/ML	

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 03/04/2000

[redacted] was interviewed at [redacted] residence in [redacted] was advised of the identity of the interviewing agent and the nature of the contact and provided the following information:

[redacted] advised that [redacted] was first hired to work for the SECRETARY OF STATE in [redacted]

[redacted]

[redacted] was asked to provide information regarding campaign activities while [redacted] was employed at the SECRETARY OF STATE's office. [redacted] stated that historically the jobs are of a political nature, but when GEORGE RYAN came into the picture, it changed considerably. [redacted]

[redacted]

(149)
b6
b7C
b7D

[redacted] advised that [redacted]

[redacted]

Investigation on 3/2/2000 at [redacted] Illinois

File # 194A-SI-50818

Date dictated 3/3/2000

b6
b7C

by SA [redacted] elj

144 A-50818-20

SEARCHED	INDEXED
SERIALIZED	FILED
MAR 13 2000	
FBI - NEW YORK	

MB

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 03/09/2000

[redacted] date of birth [redacted]
[redacted] Social Security Number (SSN) [redacted]
[redacted] telephone number [redacted] was
interviewed as a result of [redacted] Springfield
Division of the Federal Bureau of Investigation (FBI) [redacted]
[redacted] FBI regarding investigation of
allegations of corruption in the Illinois Secretary of State (SOS)
office. [redacted]

[redacted]
Special Agent (SA) [redacted] was aware of the identity of
the interviewing Agent. The following is a compilation of
[redacted] interview and the information furnished [redacted]

[redacted] advised that [redacted] was employed by the SOS from

b6
b7C
b7D

[redacted] stated that [redacted]

Investigation on 03/04/00 at [redacted] Illinois

File # 194A-SI-50818

Date dictated 03/09/00

by [redacted] b6
b7C

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64506904.302

PI
[initials]

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 03/10/2000

[redacted] date of birth [redacted]
[redacted] Social Security Number (SSN) [redacted]
[redacted] telephone number [redacted]
sent forty-one pages of documents regarding [redacted] at the
Illinois Secretary of State (SOS) office.

b6
b7C
b7D

SEARCHED	INDEXED
SERIALIZED	FILED
MAR 13 2000	
FBI-SPRINGFIELD	

[Handwritten signature]

*[Handwritten mark]*Investigation on 03/08/00 at [redacted] Illinois (via facsimile)File # 194A-SI-50818 *28* Date dictated 03/10/00by [redacted]b6
b7C

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

64507001.302

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 03/10/2000

On March 9, 2000, SA [] met with []
[] General Counsel's Office,
Secretary of State. [] provided to the agent a document
reflecting the accountability of the computers previously provided
to the FBI. [] also provided to the agent numerous documents
relative to the leasing of a building located at 1800 E. Adams.
Attached is the document relative to the computers.

b6
b7c

SEARCHED	INDEXED
SERIALIZED	FILED
MAR 13 2000	
FBI - SPRINGFIELD	

Investigation on 03/09/00 at Springfield, IllinoisFile # 194A-SI-50818-29 Date dictated 03/10/00by SA [] b6
b7c

KAA07004.302

3-7-2000 Document revised at 2:30P.M. on 3-7-2000, changes are bolded and underscored. Strike thru is data which should be removed.

**Subject: Information requested by FBI regarding several PC's
Document prepared by [redacted] ISS Department**

0111547

This unit was installed for [redacted] Howlett Building room 037, on 11-24-99. The PC removed from his office was a 486 (PC#94309) and taken Property Control for disposal.

0107542

According to the Property Control file, this unit is in the Howlett Building room 195. I have not been able to find any more information regarding the user or the date when the unit was installed.

0108093

This unit was installed for [redacted] in the Howlett Building room 548 on 3-13-98. The PC removed from her office was a 486 (PC#98308) and sent to Property Control for disposal.

b6
b7C

0108092

This unit was installed for [redacted] in the Howlett Building room 548 on 3-13-98. The PC removed from [redacted] office was a 486 (PC#95360) and sent to Property Control for disposal.

0101921

This unit was initially installed for [redacted] is the ISS Department on 1-2-97. It was moved to [redacted] on 8-22-97 in the same department several months later. It was relocated to room 548 according to the Property Control file but I have not been able to find a paper trail for the move to room 548. [redacted] Property Control, called me about this very unit on or about February 24, 1999 as to the location of this particular unit. He was very upset about the fact the unit was not in room 548. Later that same day, I located the unit in the Personnel Testing Area on the 1st floor of the Howlett Building. At the direction of the ISS Director, the unit was taken to his office in room 574.

0102188

This unit was installed for [redacted] in the Howlett Building room 195 on 3-13-97. The unit removed from his office at that time was relocated within the Physical Services Department. [redacted] PC (97995) was relocated from his office to [redacted] in room 195 on 3-20-97. [redacted] old PC (95548) was relocated to the Chicago West Facility for [redacted] on 3-24-97.

File=rcqbi

To: Director, FBI
 (Attn: Photographic Processing Unit, Rm. 1B903 TL151)
 1700 ...

AIRTEL

From: SAC, Springfield (100-12-1001)

Cost Code: 281

Date: 3/12/00

Subject: ...
 ...
 ...
 ...

☐ Unclassified ☐ Confidential ☐ Secret

ENCLOSURES:

	Size	Type	Quantity
Film	135	Color	...
Negatives			
Prints			
Other (specify)			

(color and black & white work will not be accepted on same request)

CONTACT FOR INFORMATION:

FTS- ...

b6
b7C

WORK REQUESTED:

☐ Develop and print, 1 ea. 3 1/2 x 5
 Other:

JUSTIFICATION: ...

PHOTO TECHNICIAN (Intl.) _____

144A-SI-80818-20

SEARCHED	INDEXED
SERIALIZED	FILED
MAR 14 2000	
FBI - SPRINGFIELD	

(01/26/1998)

FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 03/15/2000

To: Springfield

From: Springfield

Squad 4

Contact: SA [redacted] Ext. [redacted]

Approved By: [redacted]

Drafted By: [redacted]

Case ID #: 194A-SI-50818 (Pending)

Title: GEORGE RYAN, Illinois Governor;

[redacted]

HOBBS ACT

b6
b7C

Synopsis: Travel to Chicago

Details: On March 12, 2000, SA [redacted] traveled to Chicago in order to attend a meeting scheduled for first thing Monday, March 13, 2000, regarding the above captioned case and OPERATION SAFE ROAD. Present at the meeting with AUSA [redacted] and AUSA [redacted]. Also present were representatives of the task force to include the FBI, ISP, Postal Inspectors, IRS, USDOT, and others. A discussion was held on the status of OPERATION SAFE ROAD.

Following the meeting SA [redacted] met with AUSA [redacted] regarding events occurring in Springfield. SA [redacted] also met with [redacted] SOS, who introduced me to a cooperating party who was then interviewed.

Reassign to
SA [redacted]
3/23/00
[signature]
3/27-00

194A-SI-50818-31

SEARCHED	INDEXED
SERIALIZED	FILED
MAR 16 2000	
FBI - SPRINGFIELD	

KAA07501.02

Automated Serial Permanent Charge-Out
FD-5a (1-5-94)

Date: 03/31/00 Time: 12:52

Case ID: 194A-SI-50818 Serial: 32

Description of Document:

Type : FD302
Date : 03/08/00
To : CHICAGO
From : SPRINGFIELD
Topic: DOCUMENTS

Reason for Permanent Charge-Out:

TRANSFERRED TO SUB FILE.

b6
b7C

Transferred to:

Case ID: 194A-SI-50818-GJ Serial: 13

Employee:

194A-SI-50818-32

SEARCHED	INDEXED
SERIALIZED	FILED
MAR 31 2000	
FBI - SPRINGFIELD	

(X)

Ryan's administrative assistant gave fund-raising tickets to worker

By **JOE MAHR**

STATE CAPITOL BUREAU

Gov. George Ryan's longtime administrative assistant — who was also his campaign's co-treasurer — gave campaign fund-raising tickets to a subordinate to sell during Ryan's tenure as secretary of state, a spokesman for the governor confirmed Monday.

But despite reports that the subordinate felt pressured to sell the tickets, Ryan spokesman Dave Urbanek insisted that administrative assistant Lynda Long did not push her to sell the tickets.

Whether secretary of state employees were enlisted to serve as

campaign fund-raisers has become a focal point in a federal investigation of corruption in the office under Ryan.

Dozens of current and former employees have claimed they were threatened or coerced into buying or selling campaign tickets. Some contend the pressure was so intense that they took bribes to pass unqualified drivers' license applicants and passed the bribe money onto Ryan's campaign fund.

Federal prosecutors have not indicated whether they believe workers were systematically pressured to buy the \$50 or \$100 tickets. But prosecutors have alleged that, at the very least, Ryan's aides set up a top-to-

■ Judge rules that Dean Bauer may keep his lawyer / page 4

bottom system to dole out campaign tickets to employees.

Ryan's aides have adamantly denied that employees were pressured to buy tickets, or even that there was a structured system in place to distribute them. They've described a low-key atmosphere during Ryan's 1998 campaign for governor, where employees had to seek out campaign workers in order to participate in fund raising.

But there are questions as to how low-key that atmosphere could have

been, considering that many of Ryan's top employees were also his top campaign workers.

Among those was Long, who had been Ryan's assistant since his days in the General Assembly in the 1970s. By the mid-1990s, Long not only was Ryan's administrative assistant, she was the co-treasurer of his campaign fund.

During the mid-1990s, former office secretary Karen Deering told the Chicago Tribune, Long made it a habit once every year to hand her an envelope containing tickets to sell. The envelopes came around Labor

See **TICKETS** on page 4

(Indicate page, name of newspaper, city and state.)

Ag 1
STATE JOURNAL REGISTER
SPRINGFIELD, IL

Date: 3/14/2000
Edition:

Title:

Character: 194A-SI-50818
or

Classification:

Submitting Office:

SPRINGFIELD

Indexing:

194A-SI-50818-33

SEARCHED	INDEXED
SERIALIZED	FILED
MAR 20 2000	
FBI - SPRINGFIELD	

TICKETS

From page 1

Day, just before Ryan's annual downstate fund-raiser.

According to Deering, Long first declared that the pair were on a work break before giving Deering the envelope. Other former employees have said that their bosses commonly used the break excuse to hand out campaign tickets — as a way to skirt a law that forbids politicking on state time.

Deering told the Tribune that she bought and sold tickets because she had talked with co-workers who said it was expected that front-office employees donate 1 percent of their salaries to Ryan's campaign fund. She did not, however, indicate that any administrators ever told her that.

"They never came up to you and said you have to sell these to keep your job, but you kind of just knew," Deering told the Tribune in an interview published Monday.

Deering left the secretary of state's office in 1998 and has since moved to Texas. Efforts to reach her Monday were unsuccessful.

Long has remained Ryan's administrative assistant in the governor's office, where she is paid \$82,000 a year. State election records show that she dropped her role as a campaign co-treasurer in March 1998.

Urbanek, speaking on behalf of Long, said Long remembered giving Deering tickets but did not tell her to do anything with them.

"She did indeed hand out tickets to Karen, but she didn't sell any to her," Urbanek said. "She never checked to see whether they had been sold and never pressured her to sell the tickets."

Long was not the only front-office secretary of state employee to work

on Ryan's campaign. Scott Fawell, his chief of staff, was also at times his campaign manager. Top aide Janine Oxencis helped coordinate campaign volunteers, while another aide, Robert Newbold, coordinated the campaign's downstate efforts in 1994 and 1998.

Oxencis and Newbold spent some time working in Room 548 of the Howlett Building at the state Capitol complex. The FBI has questioned former employees about alleged political activities that took place in the ren-

ovated bathroom, including whether the room was rigged for access to personnel information.

So far, 30 people have been charged and 22 have pleaded guilty in the federal licenses-for-bribes probe — an offshoot of the alleged pressure to sell fund-raising tickets. Among those charged is Ryan's longtime friend Dean Bauer, who as Ryan's inspector general in the secretary of state's office allegedly covered up the corruption to save his boss from polit-

ical embarrassment. Bauer has pleaded not guilty.

Ryan has not been implicated in any wrongdoing. While he has denied that he knew about the illegalities, he has repeatedly apologized for the corruption, suggesting that it had been occurring there since before he took office.

Political writer Bernard Schoenburg contributed to this report. Joe Mahr can be reached at 782-6882 or joe.mahr@sj-r.com.

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 03/16/2000

[redacted] date of birth [redacted]
[redacted] telephone number
[redacted] (who had telephonically contacted Special Agent (SA)
[redacted] earlier in the day) advised that [redacted]

[redacted]

[redacted] furnished those documents
to SA [redacted]

[redacted] furnished photocopies of [redacted]
[redacted]

[redacted] furnished [redacted]
[redacted]
[redacted] via facsimile to the [redacted] Resident Agency,
Federal Bureau of Investigation (FBI) dated March 16, 2000.

b6
b7C
b7D

SEARCHED	INDEXED
SERIALIZED	FILED
MAR 20 2000	
FBI - SPRINGFIELD	

Investigation on 03/15/00 at [redacted] Illinois

File # 194A-SI-50818 -34 Date dictated 03/16/00

by [redacted] b6
b7C

6d507602.302

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 03/20/2000

[redacted] date of birth [redacted]
[redacted] telephone number
[redacted] furnished photocopies of [redacted] regarding [redacted]
[redacted]

b6
b7C
b7D

SEARCHED	INDEXED
SERIALIZED	FILED
MAR 21 2000	
FBI - SPRINGFIELD	

[Handwritten signature]

[Handwritten signature]

Investigation on 03/17/00 at [redacted] IllinoisFile # 194A-SI-50818-35 Date dictated 03/20/00b6
b7Cby [redacted]

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6ds 08001.302 ✓

(Mount Clipping in Space Below)

Government buildings investigated

State landlord gave to Ryan's campaign

THE ASSOCIATED PRESS

CHICAGO — An office building rented by the secretary of state's office is becoming a symbol of how politically connected landlords benefited from leases granted during then-Secretary of State George Ryan's tenure.

The state paid \$42,000 rent in 1997 and 1998 while a secretary of state police building sat unoccupied because its leaky roof, inadequate heating and uneven floor prevented the state from moving in, the Chicago Tribune reported.

The building owners went on to donate more than \$23,000 to Ryan's successful campaign for governor.

Federal authorities last year expanded their probe of the drivers' licenses-for-bribes scandal to include review of rental practices under former Secretary of State Ryan. It is not clear whether the Springfield lease is part of that investigation.

The probe focuses on whether state officials steered leases or contracts to politically connected landlords. No landlords have been charged.

In the Springfield case, officials under Ryan rented the building at 1800 E. Adams St. in 1997 from Barry Shiffman and Edwin Edelberg, who are among the biggest state landlords in the capital. A third partner, Louis Myers, was also involved.

For the five-year lease, Ryan officials agreed in 1997 to pay \$520,000 in rent, about 180 percent more than the \$290,000 the landlords paid to buy the building two years earlier. Real estate experts say receiving 50 percent of the purchase price over five years is more common.

When the state finally occupied the

See **BUILDING** on page 6

(Indicate page, name of newspaper, city and state.)

Pg 1
STATE JOURNAL REGISTER
SPRINGFIELD, IL

Date:

Edition: 3/19/2000

Title:

Character:

or

Classification:

Submitting Office:

SPRINGFIELD

Indexing:

194A-SI-50818-36

SEARCHED	INDEXED
SERIALIZED	FILED
MAR 20 2000	
FBI - SPRINGFIELD	

Ongt

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b7C

BUILDING

From page 1

building in February 1998, it uncovered unacceptable levels of asbestos. Less than two years later, current Secretary of State Jesse White canceled the lease because it was too costly for a building in such bad shape, the Tribune said.

White also told the Tribune that he wants to renegotiate another lease on a Joliet driver's license facility. There, Ryan's secretary of state officials paid a politically connected landlord 10 times the standard rate enjoyed by local landlords.

Ryan spokesman Dennis Culloton called the Springfield lease "defensible and competitive" and argued that the landlord's purchase price was irrelevant. He said the most im-

portant benchmark is a \$100 per square foot price, which was less than \$5.

Culloton said that was a good deal.

Culloton said the Adams Street facility was selected in part to place a state facility in a poorer part of Springfield. "There was a desire to invest in the community on the east side of Springfield," he said.

Regarding the donations to Ryan's campaign, Culloton said campaign contributions never will and never had an impact on the decision and policies of Gov. Ryan.

Shiffman also defended the donations, saying "the contributions had nothing to do with the lease." He said his partnership also contributed money to White's campaign.

Shiffman also said assessing the rent relative to the purchase price is irrelevant. He said the value of the building in the market is a better measure.

194A-SI-50818
KAA:kaa

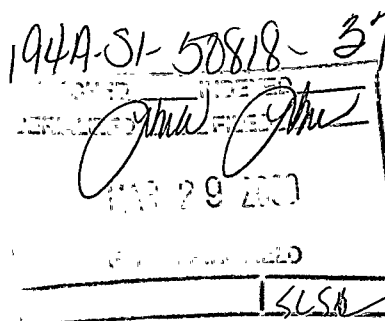
1

On March 16, 2000, SA [] was contacted by [] legal counsel for the Secretary of State. SA [] accompanied by Postal Inspector [] then met with [] advised he had received a copy of a memo which had been faxed to the Chicago Tribune. The reporter for the Tribune was attempting to follow up on it. [] did not know who faxed it. A copy of the memo was provided to SA []

[] then stated he attempted to find out who sent it and upon making inquiries, [] produced another file folder of documents relative to the leasing of 1800 E. Adams. [] stated he did not know of it upon his initial compiling of documents. The file was then provided to SA []

[] advised that [] may have the original documents. [] also stated that [] at the time of the lease.

On March 20, 2000, [] provided to SA [] several folders containing various documents relative to the leasing of 1800 E. Adams.



KAA08801.145 ✓

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 03/29/2000

[redacted] date of birth [redacted]
[redacted] sent copies of
the following documents to the [redacted] RA of the Federal Bureau of
Investigation (FBI):

[redacted]

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b7C
b7D

194A-SI-50818-38

SEARCHED	INDEXED
SERIALIZED	FILED
MAR 31 2000	
FBI - SPRINGFIELD	

[redacted] [initials]

Investigation on 03/28/00 at [redacted] Illinois (via facsimile)File # 194A-SI-50818 Date dictated 03/29/00by [redacted] b6
b7C

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194A-SI-SQ818-39

SEARCHED	INDEXED
SERIALIZED	FILED
APR 6 2000	
FBI - SPRINGFIELD, IL	
SLS/gms	

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 04/04/2000

Source, who is in a position to testify, advised that

[REDACTED]

Source had no other information regarding this.

Source stated that [REDACTED] would have known about the corruption occurring in the Illinois Secretary of State's Driver's License Administration. Source stated that [REDACTED] would allow certain people to pass the medical board in order to obtain various licenses. Source stated that [REDACTED] did not receive any type of kickback, but did it in order to maintain [REDACTED] position.

Source advised that [REDACTED]

[REDACTED]

b6
b7C
b7D

Source was asked [REDACTED]

[REDACTED]

(GEORGE) RYAN Administration [REDACTED]

Source stated that RYAN [REDACTED]

[REDACTED]

Investigation on 03/28/2000 at Springfield, Illinois

File # [REDACTED] / 194A-SI-50818-39 b7D Date dictated 03/28/2000

by SA [REDACTED] /mck b6
b7c

94A-51-50818-40

SEARCHED	INDEXED
SERIALIZED	FILED
APR 3 2000	
FBI - SPRINGFIELD	

194A-SI-50818

KAA/elj

1

On March 22, 2000, SA [] met with [] who works with General Counsel, Secretary of State. [] wanted to provide the agent with some information that they had ran across. [] advised that [] who works at [] may have knowledge of fund raising activities and [] the leasing of 1800 East Adams. [] could be reached at [] [] may also have information. [] stated [] was aggravated over the way that political activities took place during work time. [] Along those same lines, [] stated [] by the name of [] may also speak with the agent. [] stated that [] who is the [] was willing to speak with investigators and can be reached at []

[] stated that []

[]

[] who can be reached at []

[]

[] stated that [] was involved in fund raising activities along with []

[]

[] stated that []

[]

[] stated that [] also has knowledge of ticket sales.

[] provided to the agent a copy of [] [] 1800 East Adams. [] stated that [] GEORGE RYAN's []

[]

b6
b7C
b7D

ELJ08904.INS

White fires top lawyer; inspector quits

Chief inspector exits after top lawyer fired, says job was thwarted

By Ray Gibson
TRIBUNE STAFF WRITER

Illinois Secretary of State Jesse White fired his top lawyer on Friday, prompting White's top cop to resign in protest, saying he had

been stymied in his efforts to root out corruption.

David Grossman, a 21-year veteran of the FBI who was named to the inspector general's post just two months ago, said Friday that he was resigning because White fired general counsel Donna Leonard. Grossman said Leonard was one of the few individuals who was working to clean up the office.

Leonard had been serving as the liaison between the secretary of

state's office and federal authorities investigating corruption during the tenure of White's predecessor, George Ryan, now Illinois governor.

A spokesman for White declined to give any reason for Leonard's dismissal. Leonard, too, declined to comment.

But the departure of Leonard and Grossman prompted a strong reaction from U.S. Atty. Scott Lassar, whose office is conducting the fed-

eral Operation Safe Road probe.

"I find the firing of Donna Leonard and Dave's resignation very disturbing," Lassar said. "We had an excellent relationship."

Grossman said that when White told him on Thursday that he planned to fire Leonard, "I told the secretary that if he fired Donna Leonard, I would resign."

Grossman also criticized White's administration of the secretary of state's office, asserting that White

"is not in control" of the agency, which he said was being run in large part by White's chief of staff, Thomas Benigno.

White spokeswoman Elizabeth Kaufman denied the allegation, saying, "Jesse White has the final say. Jesse White is in charge."

Benigno could not be reached for comment.

Kaufman said White remains res-

SEE WHITE, PAGE 2

(Indicate page, name of newspaper, city and state.)

Pg 1
CHICAGO TRIBUNE
CHICAGO, IL

Date: 4/8/2000
Edition:

Title:

Character: or 194A-SI-50818

Classification:

Submitting Office:

SPRINGFIELD

Indexing:

(X)

194A-SI-50818-41

SEARCHED	INDEXED
SERIALIZED	FILED
APR 11 2000	
FBI - SPRINGFIELD	

White: The secretary's inspector general quits after another top aide is fired.

CONTINUED FROM PAGE 1

olute in his efforts to root out corruption in the secretary of state's office. White assumed his post in January 1999, just as the federal probe of the licenses-for-bribes scandal began to heat up.

"Jesse White is totally committed to cleaning up the office as he has demonstrated through numerous reforms he has initiated," Kaufman said. "His commitment to ridding the office of corruption has not changed."

Grossman, the second inspector general to leave his post under White over the last 15 months, charged Friday that he was hampered in his investigations of internal corruption because he was not allowed to choose his own investigators, and he had difficulty obtaining the personnel records of secretary of state employees who were suspected of wrongdoing.

"I have been pretty much stymied every which way I turned," Grossman said.

Grossman said that White promised him when he was hired that he could hire his own staff, but authorization to begin hiring came only two weeks ago. He charged that Benigno had already filled the inspector general's office "with people they chose," including one unidentified individual who Grossman said was not qualified.

Grossman said he had difficulties obtaining personnel records on employees who were the subject of his investigations. "Everything I would do got back to the chief of staff," he said.

In an interview, White denied Grossman's allegations. "The whole thing is a misconception," White said.

So far, the federal probe has resulted in the indictments of 31 people and the convictions of 25, including 14 former secretary of state employees.

The investigation has focused on illegal activities that occurred when the office was headed by Ryan, who has denied wrongdoing and insisted that his office vigorously pursued allegations of misconduct.

Among those indicted is former secretary of state inspector general Dean Bauer, Ryan's longtime personal friend who served as the office's top corruption fighter. Bauer has pleaded innocent to racketeering and obstruction of justice charges that accuse him of scuttling potentially embarrassing cases of employee wrongdoing.

Grossman replaced Don Strom, a former Carbondale police chief, who held the inspector general's post for just under a year. Strom resigned in January to become the campus police chief at Washington University in St. Louis.

Strom said Friday that Leonard, the general counsel under White, had helped set a tone in the office that corruption would not be tolerated. "I found Donna to be a highly ethical person who I thought was a real ally in supporting the efforts of my staff to address the issues of corruption, both past and present, that we identified," Strom said.

When Strom left, White replaced him with Grossman, who was a special agent in Chicago for the FBI. Grossman was an undercover agent in the Operation Greylord investigation of corruption in the Cook County courts that resulted in the indictments of dozens of attorneys and judges. Before joining the FBI, he was an Internal Revenue Service agent.

In an unrelated development, Joseph Matalone, a three-time convicted felon whom White hired as a contract employee in March 1999 despite knowing his background, was charged in DuPage County on Friday with impersonating a police officer, forgery and official misconduct. White's office fired Matalone in February after learning Matalone was accused of posing as the head of secretary of state police in a traffic stop by state troopers.

In a news release, DuPage County State's Atty. Joe Birkett said Matalone was stopped in December on the Elgin-O'Hare Expressway for having a red oscillating light mounted on the dashboard and improper registration.

Birkett said that Matalone allegedly said he was an investigator for the secretary of state police and produced a letter purportedly signed by White that permitted him to respond to emergencies in his private vehicle.

Matalone, 60, of Geneva, has been convicted of holding down two full-time government jobs at the same time, defrauding Cook County in a phony billing scheme and impersonating a Geneva police officer.

As a contractual employee for White, Matalone was paid \$45,413 for 11 months of work to check on whether drivers testing facilities were clean and providing good customer service.

(Mount Clipping in Space Below)

Secretary of state shake-up

Inspector general quits, White fires top lawyer

By **PAUL KRAWZAK**
and **BERNARD SCHOENBURG**
COPLEY NEWS SERVICE

CHICAGO — David Grossman, top corruption investigator for Secretary of State Jesse White, angrily resigned Friday, claiming that White "is not committed to eliminating the corruption in his office."

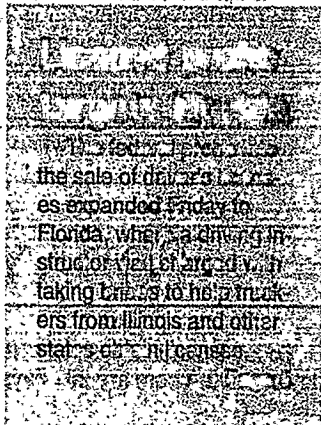
Grossman's sudden departure followed the firing earlier in the day of Donna Leonard, who was White's chief legal counsel.

Leonard, who drew a salary of \$100,000, could not be reached for comment.

But Grossman, a retired FBI agent who was hired as inspector general Feb. 3, said Leonard appears to have been fired because White "thinks that he is unable to get his budget (passed by the General Assembly) because of the co-operation that she has given in the federal investigation. He (White) says that there are legislators and unions and lobbyists who are telling him that she's the problem."

Grossman said he quit because of Leonard's dismissal.

Federal authorities have indicted 31 people so far in Operation Safe Road, a probe of the widespread trading of commercial driver's licenses for bribes in the administration of former Secretary of State George Ryan. Of the 25 people who have been convicted, 14 were secretary of state employees.



(Indicate page, name of newspaper, city and state.)

Page 1
STATE JOURNAL REGISTER
SPRINGFIELD, IL

Date: 1/8/2000
Edition:

Title:

Character: 194A-SI-50818
or

Classification:

Submitting Office:

SPRINGFIELD

Indexing:

White's office expressed disappointment at Grossman's departure, but maintained the secretary is just as committed to stamping out wrongdoing and working with federal investigators as before.

Elizabeth Kaufman, deputy press secretary to White, denied Grossman's allegations and said White was unaware of his complaints until his resignation.

She declined to discuss Leonard's firing, saying it is a personnel matter; Kaufman said it was an "internal issue" that "had nothing to do with Operation Safe Road."

Friday's developments drew concern from U.S. Attorney

See **SHAKE-UP** on page 5

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SEARCHED INDEXED
SERIALIZED FILED

APR 11 2000

FBI - SPRINGFIELD



SHAKE-UP

From page 1

Scott Lassar, who has led the federal probe.

"The combination of Donna Leonard's firing and the resignation of David Grossman is very disturbing," he said in a statement.

Grossman, who specialized in corruption investigations at the FBI, said White's administration resisted his efforts to clean up the office.

"Since Day One when I got here, it has been a battle to get what I needed to get my job done," said Grossman, who was paid \$85,000. "The only bright spot was Donna Leonard, who always went to bat and made sure I always got what I needed. She and Tammy Raynor are the only two people I've found in the office so far who are really committed to getting rid of corruption."

Raynor, a key witness in the federal probe, burst into tears when told of

Grossman's resignation. "Yeah, I'm a little emotional over that," she said. "I feel like the hero's gone."

"I worry every day that I'm going to lose my job," added Raynor, a license examiner in the secretary of state's McCook facility. "I don't know Jesse White. I haven't met him," she said.

Raynor first started blowing the whistle on employee wrongdoing when Ryan, a Republican, was secretary of state.

Grossman charged he met continual resistance from White's Democratic administration, which he said took away his authority to review personnel records and prevented him from doing background checks on high-ranking administration officials.

Kaufman denied this, saying Grossman "had total access to all personnel files" throughout his tenure.

Grossman said his predecessor, Don Strom, who left the inspector general's office to take a security job in St. Louis, also was turned down in his effort to conduct background checks.

"I was told when I came on board that I would be able to hire the in-

spectors for my office," Grossman added. "I finally got that authority about two weeks ago when they had already packed my office with everybody they wanted in there."

Grossman charged that even under White, Raynor turned down applicants for truck-driving licenses because they couldn't speak English — only to discover they would then go to another facility and get their licenses.

"You have a situation today where you still have people who don't speak English getting commercial driver's licenses, and I believe that's in violation of federal law. And when this is repeatedly brought to the attention of people who should be able to do something about that, nothing gets done," he said.

"I'm not suggesting any corruption here," he added. "My guess is it's just people not doing their job. But the net effect is the same. Nobody seems to want to do anything about it."

Raynor confirmed Grossman's claim, saying there were "numerous" instances in which applicants she turned down later secured their

licenses from others.

"I do think that there's loopholes in the CDL policy that allows that to happen," she said.

Kaufman, expressing "shock" at the charges, said the allegations of continuing improper license selling "have not been brought to our attention." White instituted "15 reforms in this office dealing specifically with that," she added.

According to Grossman, Leonard was first asked to "step aside to a different position." She was fired when she refused, he said.

Grossman also alleged that White's chief of staff, Thomas Benigno, is running the office, not White. He said White is a "well-meaning guy who wants to do the right thing. I just don't think he's in charge. I think he's surrounded himself with people who have other interests at heart."

Paul Krawzak is a reporter with Copley News Service. Bernard Schoenburg is The State Journal-Register's political writer. He can be reached at 788-1540 or bernie.schoenburg@sj-r.com.

194A-SI-50818-43

SEARCHED	INDEXED
SERIALIZED	FILED
APR 3 2000	
FBI - SPRINGFIELD	

FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 03/29/2000

To: Springfield

From: Springfield

Squad 4

Contact: SA [REDACTED]

Approved By: [REDACTED]

b6
b7C

Drafted By: [REDACTED]

Case ID #: 194A-SI-50818 (Pending)

Title: GEORGE RYAN;
ET AL;
HOBBS ACT - CSLPO

Synopsis: Obtaining of [REDACTED]

Details: On March 28, 2000, SA [REDACTED] was contacted
by [REDACTED] who is [REDACTED]

[REDACTED]

b3
b6
b7C

That same morning SA [REDACTED] spoke with AUSA [REDACTED]
who advised that a grand jury subpoena would be issued for [REDACTED]
[REDACTED] SA [REDACTED] received a faxed copy of the subpoena which
is attached. A copy was also provided to [REDACTED]
[REDACTED] here in Springfield.

SA [REDACTED] accompanied by [REDACTED] located and seized
[REDACTED] This was entered into
evidence. [REDACTED]
but SA [REDACTED] learned that [REDACTED]
[REDACTED] A document reflecting that is attached. SA [REDACTED] then
coordinated with the Inspector Generals Office and the Chicago
FBI [REDACTED]
[REDACTED] and it was learned that [REDACTED]

KBA08902, EC

To: Springfield From: Springfield
Re: 194A-SI-50818, 03/29/2000

[redacted]
[redacted] is still attempting to [redacted]

SA

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b7C

♦♦

United States District Court

NORTHERN

DISTRICT OF ILLINOIS - EASTERN DIVISION

TO:

SUBPOENA TO TESTIFY BEFORE GRAND JURY

SUBPOENA FOR:

☐ PERSON ☒ DOCUMENTS OR OBJECT(S)

YOU ARE HEREBY COMMANDED to appear and testify before the Grand Jury of the United States District Court at the place, date, and time specified below.

PLACE

ROOM

DATE AND TIME

YOU ARE ALSO COMMANDED to bring with you the following document(s) or object(s):*

b3
b6
b7C

☐ Please see additional information on reverse

This subpoena shall remain in effect until you are granted leave to depart by the court or by an officer acting on behalf of the court.

CLERK

Date

3-28-00

This subpoena is issued upon application
of the United States of America

NAME, ADDRESS AND PHONE NUMBER OF ASSISTANT U.S. ATTORNEY

Assistant United States Attorney
219 S. Dearborn, 5th Floor
Chicago, IL 60604

*If not applicable, enter "none."

To be used in lieu of AO 110

FORM OBD-227
Revised April 1997

Printed on Recycled Paper

FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 04/11/2000

To: Springfield

From: Springfield

Approved By:

Drafted By:

Case ID #: 194A-SI-50818 (Pending)

Title: GEORGE RYAN;
ET AL
CORRUPTION OF STATE AND
LOCAL PUBLIC OFFICIALS (STATE LEVEL)

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b7C

Synopsis: Analytical work conducted on the above captioned case.

Details: A copy of the spring scheduled session of the Illinois State Legislation was obtained on April 6, 2000. The schedule was obtained from the information desk at the Illinois State Capital Building, Springfield, Illinois. The fall session of the Illinois State Legislation will not be announced until the spring session has been completed.



♦♦

Illinois State Legislation schedule given to SA. 4/6/2000 - BRC

194A-SI-50818-44

SEARCHED	INDEXED
SERIALIZED	FILED
APR 12 2000	
FBI - SPRINGFIELD	

1515/24

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 04/05/2000

A Cooperating Individual (CI) provided information to the below Agent regarding [redacted] Lieutenant Governor GEORGE RYAN in approximately 1978 or 1979. The CI advised that at the time, RYAN was serving his second term as Illinois' Lieutenant Governor. CI speculated it was the last year former Illinois Governor JAMES R. THOMPSON was in office.

CI stated that RYAN [redacted]
[redacted] CI [redacted] and
the CI stated [redacted]
[redacted] The CI stated that RYAN's
[redacted] The CI
stated that [redacted]
[redacted] CI stated
that [redacted]

b6
b7C
b7D

CI stated that [redacted]
[redacted]
[redacted] the CI [redacted]
RYAN.

CI [redacted]
[redacted]
[redacted] CI specifically
remembers that [redacted] 'Re-Election Fund for George Ryan.'
CI stated [redacted]
[redacted] CI believed
[redacted]

CI stated that he/she would check their records in order to determine if any of his/her records reflected [redacted]

194A-SI-50818-45

SEARCHED	INDEXED
SERIALIZED	FILED
APR 10 2000	
FBI - SPRINGFIELD	
329/100	

mck 09601.302 ✓

Investigation on 03/24/2000 at Springfield, IllinoisFile # 194A-SI-50818Date dictated 03/26/2000

by SA [redacted]

/mck

b6
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194A-SI-50818
KAA:kaa

1

On April 3, 2000, SA [redacted] spoke with AUSA [redacted]. AUSA [redacted] was provided information which the agent had received from AUSA [redacted] via ISP [redacted]. This information concerned [redacted] with telephone [redacted] has a date of birth of [redacted] supposedly was told by [redacted] [redacted] for the Secretary of State. [redacted] [redacted] This information was provided to handle as appropriate.

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b7C
b7D

(1)

194A-SI-50818-46

SEARCHED	INDEXED
SERIALIZED	FILED
APR 7 2000	
FBI - SPRINGFIELD	
[redacted]	

KAA 09601.INS ✓

(01/26/1998)

FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 04/03/2000

To: Springfield

Attn: Photographer

From: Springfield

Contact:

Approved By:

Drafted By:

grc

Case ID #: 194A-SI-50818 (Pending)

Title: GEORGE RYAN,

Synopsis: Set lead for [redacted] to conduct investigative analytical work in above captioned case.

Details: Case Agent in this matter requires assistance in locating information pertaining to the above-captioned case.

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b7C

(X)

Lead Assigned
4/6/00
JMU
4-14-00

194A-SI-50818-47

SEARCHED	INDEXED
SERIALIZED	FILED
APR 6 2000	
FBI - SPRINGFIELD	

GRC 09401.EC ✓

To: Springfield From: Springfield
Re: 194A-SI-50818, 04/03/2000

LEAD (s):

Set Lead 1:

SPRINGFIELD

AT SPRINGFIELD, IL

- 1) Query public record data bases and any media records that reflect [redacted] Governor George Ryan's [redacted] Also query any media and data base checks for [redacted]
[redacted]
- 2) Obtain a schedule of the Illinois State Legislation settings.
- 3) Query public record data bases and media records that reflect information on [redacted] Checks should include all media records pertaining to [redacted]
[redacted]
- 4) Obtain through the Clerk of the Court history on the following address: 1800 East Adams, Springfield.
- 5) Query through public record data bases informational history on the following businesses: [redacted]
[redacted]
- 6) Query through public record data bases any information on the following individuals and address: [redacted]
[redacted]

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b7C
b7D

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- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 04/04/2000

[redacted] date of birth [redacted]
[redacted]
telephone number [redacted] furnished a facsimile copy of a
document entitled [redacted]
[redacted]

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194A-SI-50818-48

SEARCHED	INDEXED
SERIALIZED	FILED
APR 06 2000	
FBI - SPRINGFIELD	

[Signature]

Investigation on 04/04/00 at [redacted] Illinois (via facsimile)File # 194A-SI-50818 Date dictated 04/04/00by [redacted] b6
b7C

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

6d509502.302V

Fatal crash in California tied to Illinois license scam

THE ASSOCIATED PRESS

*CHICAGO — A truck driver blamed for causing a 74-car pileup on a California highway that killed two people admits he received his driver's license after a bribe was paid to an Illinois secretary of state's office manager.

Trucker Adem Salihovic told the Chicago Tribune that he gave \$800 to a driving school operator who then passed part of that money to the manager of the Melrose Park licensing facility.

Adem Salihovic, a Bosnian native who speaks little English, received his driver's permit in June 1998 without having to take several critical written tests.

An ongoing investigation into a licenses-for-bribes scheme at the Illinois secretary of state's office has produced 22 convictions, including 12 former secretary of state employees. The scandal involved bribes paid during George Ryan's eight-year tenure in that office before becoming Illinois' governor; Ryan has not been charged in the scandal.

Salihovic, a Bosnian native who speaks little English, received his driver's permit in June 1998 without having to take several critical written tests, the Tribune reported in today's editions.

Interviewed with the assistance of a translator at his home on Chicago's North Side, Salihovic told the Tribune that he knew he never would have passed the written tests due to his poor English. Secretary of state records show he initially failed a driving skills test involving truck maneuvers and another road test but eventually got his commercial license in August 1998.

In November 1998, Salihovic lost control of his rig on California Highway 99 outside Fresno. One of his trailers overturned, blocking most of two lanes of traffic in dense fog. A mile-long succession of chain-reaction collisions followed, killing two and injuring 51 more.

"This gentleman should not have been on the road," said Dianna Brady, whose husband was killed in the pile-up.

"If he hadn't bribed anybody, he would not have been driving and this accident would never have happened."

The California crash is the third fatal accident to be linked to Illinois' license scandal. In 1994 in Wisconsin, six Chicago children were killed when the van they were riding in burst into flames after hitting a part that fell off the truck of a driver accused of paying a bribe to get his license. In 1997, another trucker suspected of fraudulently obtaining his license died in Maryland when he rear-ended another truck.

"The report is terribly sad, and the governor is heartsick over it," Ryan spokesman Dennis Culloton said in response to the Tribune story.

In a sworn statement taken as part of a civil lawsuit stemming from the California crash, Salihovic said he had driven trucks for five years in Bosnia. He blamed the accident on a malfunction in one of two trailers he was pulling.

The California Highway Patrol, however, ticketed Salihovic for making an unsafe turn on the highway. Police said the back end of Salihovic's

See **SCAM** on page 4

SCAM

From page 1

rig ran off the road, fishtailed and overturned.

"He is what we call the primary collision factor, although the other people on down behind him should have been able to stop. ... He started the chain of events," Highway Patrol Officer Dag Josang said.

Salihovic, 45, told the Tribune he paid \$800 to Peco "Peter" Sherovski,

(Indicate page, name of newspaper, city and state.)

STATE JOURNAL REGISTER
SPRINGFIELD, ILLINOIS

Date: 3/5/2000
Edition:

Title:

Character:
or 194A-SI-50818

Classification:
Submitting Office:
SPRINGFIELD

Indexing:

manager of AAA Driving School in Chicago, to obtain a fraudulent license.

Sherovski has pleaded guilty to passing bribes to secretary of state employees, including Mary Ann Mastrodomenico, who pleaded guilty to racketeering conspiracy while serving as manager of the testing center in Melrose Park.

Randall Samborn, a spokesman for the U.S. attorney, declined to comment on Salihovic's account of how he received his license.

More than 900 truckers have been ordered to retake their licensing exams because of the scandal.

194A-SI-50818-49

SEARCHED	INDEXED
SERIALIZED	FILED
APR 18 2000	
FBI - SPRINGFIELD	

56mm

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 04/10/2000

[redacted] was interviewed at his office. [redacted] had previously been advised of the identity of the interviewing agent and had previously provided the agent with a copy of a letter dated September 29, 1998, which was addressed to Director GENE MARLIN, ILLINOIS STATE POLICE, from [redacted] and [redacted] was advised that the agent wanted to interview him regarding his role in the State Police investigation.

[redacted] was specifically asked whether or not anybody had contacted him and/or his superiors, regarding the investigation. [redacted] stated that [redacted] had called [redacted] Director, NORBERT GOETTEN, and chewed him out. Specifically [redacted] stated that [redacted] [redacted] stated that the call came in during the course of the investigation.

[redacted] also stated that once Director GENE MARLIN received the letter, he (MARLIN) called [redacted] and was displeased about receiving the letter. [redacted] remembered that there was a message on his voice mail and when he attempted to call MARLIN back regarding the letter, he spoke with Colonel [redacted] Essentially [redacted] told [redacted] that it was his opinion that it was a waste of time to conduct the interviews if they were also providing the information about who they were going to interview to the Secretary of State.

[redacted] remembered having a conversation with [redacted] about the fact that nobody should be giving advanced notice as to who should be interviewed. [redacted] stated that [redacted] responded that he should not worry because [redacted] said "I agree with you". [redacted] stated that following this Master Sergeant [redacted] and some other investigators traveled to Chicago to conduct some interviews. They assumed that these interviews would be a surprise; however, when they went to interview the people, they knew that the investigators were coming. [redacted] stated when he told [redacted] this, [redacted] response was that he only stated that he agreed with him that they should not give advance notice, but stated that he did not say that he would not give advance notice. [redacted] also stated that he heard that [redacted] made a comment to [redacted] who was also an

[Handwritten signature]
b6
b7c

Investigation on 3/31/2000 at Springfield, Illinois

File # 194A-SI-50818 ⁶⁰ Date dictated 4/3/2000

by SA [redacted] /elj b6
b7c

ELJ 10/01.302 ✓

194A-SI-50818

Continuation of FD-302 of [REDACTED], On 3/31/2000, Page 2

investigator that [REDACTED] should not make this investigation a career ender.

[REDACTED] was asked if anybody else made contacts with him or any of his superiors regarding the investigation and he stated that an individual known as [REDACTED] (phonetic) also called Director GOETTEN about it.

[REDACTED] was asked if there was anything else regarding the investigation that concerned him. [REDACTED] stated that he had concerns about the role of [REDACTED] specifically referred to a meeting that was held in Director GOETTEN's office about the issuance of subpoenas to obtain [REDACTED]

b3
b6
b7c

[REDACTED] and indicated to them that if a subpoena was issued, then they would fight it. [REDACTED] thought this to be a very unusual stance.

[REDACTED] suggested that the agent interview his director NORBETT GOETTEN regarding additional information. Attached to this communication is a copy of the letter provided to the agent by [REDACTED] The following information was obtained through observation and interview:

Name:
Race:
Sex:
Age:
Telephone:

--

COPY

September 29, 1998

Director Gene Marlin
Illinois State Police
P.O. Box 19461
State Armory, Rm. 103
Springfield, IL 62794

Re: Secretary of State Investigation

Dear Director Marlin:

As you know, we are reviewing the State Police investigation report prepared in the above matter. There are some additional interviews that we require; however, we would request that no advance notice be given to the interviewees. We realize that there is some sort of agreement to notify the Secretary of State Office of Inspector General, but such advance notice compromises the integrity and fruitfulness of the interviews.

The reliability of this entire investigation may become suspect based on the sharing of information with SOS personnel.

Please feel free to contact us with any questions and concerns, as well as your input on this suggestion. Thank you for your cooperation in this matter.

Sincerely,

[Redacted]

[Redacted]

b6
b7C

FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 04/11/2000

To: Springfield

From: Springfield

Approved By: [REDACTED]

b6

Drafted By: [REDACTED]

b7C

Case ID #: 194A-SI-50818 (Pending)

Title: GEORGE RYAN;
ET AL
CORRUPTION OF LOCAL AND
STATE PUBLIC OFFICIALS (STATE LEVEL)

Synopsis: Analytical work conducted on the above captioned case.

Details: An informational query of public records was conducted on the property at 1800 East Adams, Springfield, Illinois, on April 10, 2000. Through the use of public record data bases at the Sangamon County Recorder of Deeds and the Sangamon County Assessment office, the attached informational records were obtained. The automated data base record checks only reflected information on the property dating back to 1995.

A manual record check at the Sangamon County Assessment office on the above property prior to 1995, revealed that all records were misplaced or misfiled, and records were unable to be located. A manual record check was also conducted at the Sangamon County Recorder of Deeds office through the use of the Microfilm data base, which revealed deeds dating back to 1948 pertaining to the property at 1800 East Adams, Springfield, Illinois.

♦♦

194A-SI-50818-51

SEARCHED	INDEXED
SERIALIZED	FILED
APR 12 2000	
FBI-SPRINGFIELD	

4

GRE 10201. EC ✓

This Indenture

made this twenty-third day of
June, A. D. 1948 between BRUCE A. GORDON and MARIE G. GORDON,
his wife, of the City
of Wilmette, in the County of Cook and State of Illinois,
parties of the first part, and EQUITABLE LIFE INSURANCE COMPANY OF IOWA,
a corporation created and existing under and by virtue of the laws of the State of Iowa,
having its principal office in the City of Des Moines, County of Polk
and State of Iowa, party of the second part.

Witnesseth, That the said part 1st of the first part for and in consideration of the sum of One
and no/100 (\$1.00) - - - Dollars, in hand paid by the said party of the second part, the receipt whereof is
hereby acknowledged, have, and by these presents do, REMISE, RELEASE, ALIEN AND CONVEY unto the said
party of the second part, and to its successors and assigns, FOREVER, all the following described lot, place or
parcel of land, situate in the County of Sangamon and State of Illinois,
known and described as follows, to wit:

Lots Four (4), Five (5), Six (6),
Seven (7), Eight (8), Nine (9),
Ten (10), Eleven (11), Twelve (12),
and Thirteen (13) together with the
alley lying between Lots Four (4)
to Eight (8), both inclusive, and
Lots Nine (9) to Thirteen (13),
both inclusive, all in Block One
(1) of Mrs. Trotter's Addition to
the City of Springfield;

Together with all and singular the hereditaments and appurtenances thereunto belonging, or in anywise appertaining, and
the reversion and reversions, remainder and remainders, rents, issues and profits thereof, and all the estate, right, title, interest,
claim or demand whatsoever, of the said part 1st of the first part, either in law or equity, of, in and to the above described
premises, with the hereditaments and appurtenances: TO HAVE AND TO HOLD the said premises as above described, with
the appurtenances, unto the said party of the second part, its successors and assigns forever.

And the said Bruce A. Gordon and Marie G. Gordon, his wife,
part 1st of the first part, for their heirs, executors and administrators do covenant, promise and agree, to and
with the said party of the second part, its successors and assigns, that they have not done or suffered to be done,
anything whereby the said premises hereby granted are, or may be, in any manner incumbered or charged, except as herein
recited; and that the said premises, against all persons lawfully claiming, or to claim the same, by, through or under them,
they WILL WARRANT AND FOREVER DEFEND.

And the said part 1st of the first part do hereby release and waive all rights under and by virtue of the
homestead exemption laws of the State of Illinois.

In witness whereof, the said part 1st of the first part have hereunto set their hands and

seal on the day and year first above written.

Handwritten signature of Marie G. Gordon

Handwritten signature of Bruce A. Gordon

Handwritten initials

STATE OF Illinois
COUNTY OF Cook

SS.

I, William M. Rempert

a notary public

in and for the said County, in the State aforesaid

DO HEREBY CERTIFY that BRUCE A. GORDON and MARIE G. GORDON, his wife,
personally

known to me to be the same persons whose names are subscribed to the foregoing instrument,
appeared before me this day in person and acknowledged that they signed, sealed and delivered
the said instrument as their free and voluntary act, for the uses and purposes therein set forth,
including the release and waiver of the right of homestead.

Given under my hand and notarial seal this 23rd day of June

A. D. 19 48.

William M. Rempert

My Commission Expires Dec. 22, 1951



3391827

228231

Warranty Deed

Individual to Corporation

BRUCE A. GORDON and MARIE G. GORDON,

his wife,

TO

SHUTLAND LIFE INSURANCE COMPANY OF IOWA

Made to

Sidney Arthur Bergman & Company
11 So. Cass St. (Chicago 448)
Chicago 3

BOOK

378 PAGE 209

Recorded for record at

June 29 1948

Page

of

GEORGE H. COLE & COMPANY

CONSERVATOR'S DEED

THIS INDENTURE MADE this 16th day of June, 1948 between MAE E. SHAHEEN, as conservator of the person and property of GEORGE R. SHAHEEN, an incompetent, as GRANTOR, and BRUCE A. GORDON, Chicago, Illinois, as GRANTEE, WITNESSETH:

WHEREAS in a cause brought under the statute in the Probate Court of Sangamon County, Illinois wherein the Grantor was petitioner and George R. Shaheen, an incompetent, et al., were defendants, a decree was entered by the Court on March 2, 1948 directing the Grantor to sell the real estate hereinafter described;

WHEREAS on March 3, 1948 the Grantor sold that real estate to Bruce A. Gordon, George Havens, John S. Small and Herbert W. Anderson, doing business as Bruce A. Gordon Company, a partnership, Chicago, Illinois for Twelve Thousand Five Hundred Dollars (\$12,500.00);

WHEREAS the aforesaid purchasers have assigned to Bruce A. Gordon, the Grantee herein, all their right, title and interest under a contract for the purchase of the real estate hereinafter described dated February 4, 1948 and as purchasers at the sale thereof under the aforesaid decree.

WHEREAS the Grantor thereafter filed in the office of the Clerk of the Probate Court of Sangamon County, Illinois, a complete report of sale and on the 19th day of March, 1948 the Court approved the report and confirmed the sale;

NOW, THEREFORE, THIS INDENTURE WITNESSETH That the Grantor, in consideration of the premises and the sum of Twelve Thousand Five Hundred Dollars (\$12,500.00) to her in hand paid by the Grantee, the receipt of which is hereby acknowledged, has granted, sold and conveyed and by these presents does grant, sell and convey unto the Grantee, his heirs, grantees and assigns

forever, the following described real estate and all interest of the ward therein including all interest of the ward under and by virtue of the Homestead Exemption laws of the State of Illinois:

Lots Four (4), Five (5), Six (6), Seven (7), Eight (8), Nine (9), Ten (10), Eleven (11), Twelve (12) and Thirteen (13); together with the alley lying between Lots Four (4) to Eight (8), both inclusive and Lots Nine (9) to Thirteen (13), both inclusive, all in Block One (1) of Mrs. Trotter's Addition to the City of Springfield, in Sangamon County, Illinois,

and subject to taxes for the year 1947 payable in 1948 and for subsequent years; subject to zoning and building laws or ordinances pertaining thereto and subject to the rights of tenants in possession.

This deed is executed for the purpose of correcting the description contained in deed executed under date of March 24, 1948, recorded in Book 372 of Deeds, at Page 554 in the Office of the Recorder of Sangamon County, Illinois.

IN WITNESS WHEREOF the Grantor, as conservator of the person and property of George R. Shaheen, an incompetent, has hereunto set her hand and seal this day and year first above written.

Ma E. Shaheen (SEAL)
MAE E. SHAHEEN, as conservator of the person and property of George R. Shaheen, an incompetent

STATE OF ILLINOIS)
COUNTY OF SANGAMON)

SS

I, *Robert A. Sward*, a Notary Public in the County and State aforesaid, certify that MAE E. SHAHEEN, as conservator of the person and property of George R. Shaheen, an incompetent, personally known to me to be the same person whose name is subscribed to the foregoing deed and personally known to me to be the conservator as aforesaid, appeared before me in person and acknowledged that she signed, sealed and delivered said deed as her free and voluntary act as conservator for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this *16* day of 1948.

Robert A. Sward
NOTARIAL SEAL

Notary Public

commission expires: *July 25, 1950*

228127

BOOK 377 PAGE 598

I hereby certify
that this instrument
was filed for record at
and in book 377 of page 598
on JUN 23 1948

Paul C. Mitchell
Register of Deeds

1509451

THIS INDENTURE MADE this 24th day of March, 1948 between MAE E. SHAHEEN, as conservator of the person and property of GEORGE R. SHAHEEN, an incompetent, as GRANTOR, and BRUCE A. GORDON, Chicago, Illinois, as GRANTEE, WITNESSETH:

WHEREAS in a cause brought under the statute in the Probate Court of Sangamon County, Illinois wherein the Grantor was petitioner and George R. Shaheen, an incompetent, et al, were defendants, a decree was entered by the Court on March 2, 1948 directing the Grantor to sell the real estate hereinafter described:

WHEREAS on March 3, 1948 the Grantor sold that real estate to Bruce A. Gordon, George Havens, John S. Small and Herbert W. Anderson, doing business as BRUCE A. GORDON COMPANY, a partnership, Chicago, Illinois for Twelve Thousand Five Hundred Dollars (\$12,500.00);

WHEREAS the aforesaid purchasers have assigned to Bruce A. Gordon, the Grantee herein, all their right, title and interest under a contract for the purchase of the real estate hereinafter described dated February 4, 1948 and as purchasers at the sale thereof under the aforesaid decree.

WHEREAS the Grantor thereafter filed in the office of the Clerk of the Probate Court of Sangamon County, Illinois, a complete report of sale and on the 19th day of March, 1948 the Court approved the report and confirmed the sale;

NOW, THEREFORE, THIS INDENTURE WITNESSETH that the Grantor, in consideration of the premises and the sum of Twelve Thousand Five Hundred Dollars (\$12,500.00) to her in hand paid by the Grantee, the receipt of which is hereby acknowledged, has granted, sold and conveyed and by these presents does grant, sell and convey unto the Grantee, his heirs, grantees and assigns forever, the following described real estate and all interest of the ward therein including all interest of the ward under and

by virtue of the Homestead Exemption laws of the State of Illinois:

Lots Four (4), Five (5), Six (6), Seven (7), Eight (8), Nine (9), Ten (10), Eleven (11), Twelve (12) and Thirteen (13) in Block One (1) of Mrs. Trotter's Addition to the City of Springfield, situated in the County of Sangamon and State of Illinois.

and subject to taxes for the year 1947 payable in 1948 and for subsequent years; subject to zoning and building laws or ordinances pertaining thereto and subject to the rights of tenants in possession.

IN WITNESS WHEREOF the Grantor, as conservator of the person and property of George R. Shaheen, an incompetent, has hereunto set her hand and seal this day and year first above written.

Mae E. Shaheen [SEAL]
MAE E. SHAHEEN, as conservator of the person and property of George R. Shaheen, an incompetent

STATE OF ILLINOIS

COUNTY OF SANGAMON

I, *M. M. Fauer*, a Notary Public in the County and State aforesaid certify that MAE E. SHAHEEN, as conservator of the person and property of George R. Shaheen; an incompetent, personally known to me to be the same person whose name is subscribed to the foregoing deed and personally known to me to be the conservator as aforesaid, appeared before me in person and acknowledged that she signed, sealed and delivered said deed as her free and voluntary act as conservator for the uses and purposes therein set forth.

GIVEN under my hand and Notarial seal this *21st* day of March, 1948.

M. M. Fauer
NOTARY PUBLIC

Filed June 11-1949

Print Key Output
5769SS1 V4R3M0 980729 DP400

Page 1
04/10/00 10:03:10

Display Device : SOADSP169
User : C1

PTGKD3K DISPLAY

4/10/00 10:03:09

Assessment Inquiry Page 1

Selection ==>

Parcel Nbr 14350109007

Check Digit 2 PARCEL HAS COMMENTS

Tax Yr 1999 Pay 2000

----- Name & Mailing Address -----

----- Property Address -----

EIGHTEENTH STREET

1800 E ADAMS

PARTNERSHIP

SPRINGFIELD IL 62703

% ESM DEVELOPMENT CORP

Bldg Nbr

Unit Nbr

828 S 02ND STREET STE 402

SPRINGFIELD IL 62704

Tax

Tax ---- Acres ----

Year Status

Code Non-Farm Farm

1999 Active

001 .00 .00

2000

.00 .00

Class 60 IMPROVED COMMERCIAL

Vol 14 Pg 109 Taxes Sold N

Mort Code 0000 Scavenger Sale N

----- Exemptions -----

----- Legal Description -----

LOTS 4-13 BLK 1 & VAC ALLEY

(BETWEEN 4-13) MRS TROTTERS

ADDN

Senior Citizen N

Disabled Veteran N

Owner Occupied N Base Value

Contrct For Deed N

Sr Assmt Freeze N Base Value 103070

Home Improvement N

F3=Exit F14=Townships F15=Sr Citizen F16=Hm Improve 17=Complaint Pg-Down

Print Key Output
5769SS1 V4R3M0 980729 DP400

Page 1
04/10/00 11:51:57

Display Device : SOADSP117
User : PUBSOA1

PTFTDFK DISPLAY 4/10/00 11:49:06

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.....
:                               Display Sale                               : >
:
Parcel Nbr : Parcel Nbr 14-35.0-109-007      Sale Year 1995      : ----
:   Sale Date 8/07/95   Assessed Val      Ratio      : Unit
Sale Nbr   : Sale Amt 290,000      209,076 When Sold 72.09      :
:   Acres      214,894 Prior EQ 74.10      :
Type option :
5=Display S : Class 60 IMPROVED COMMERCIAL      :
Sale Re     : Type DESP SPECIAL WARRANTY DEED :
Opt Nbr Do  : Memo      : lass
5 1 95      :      : 60
: State Qualify N Multiple Parcels N      :
: Special Sale      :
: Recorder Doc 995028016 Recorded Date 8/23/95 :
:
: F3=Exit      :
:
:
:.....
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F3=Exit

Print Key Output
5769SS1 V4R3M0 980729 DP400

Page 1
04/10/00 11:49:21

Display Device : SOADSP117
User : PUBSOA1

PTFTDFK DISPLAY

Sales Inquiry

4/10/00 11:49:06

Selection ==>

Parcel Nbr 14350109007

----- Property Address -----
House Nbr Dir Street Address Bldg Unit
1800 E ADAMS

Sale Nbr 1

Type options, press Enter.

5=Display Sale

Sale Recorder		Doc	Sale		Assessed Val			
Opt Nbr	Doc Nbr	Type	Year	Sale Date	Sale Amount	When Sold	Ratio	Class
1	95028016	DESP	1995	8/07/95	290,000	209,076	72.09	60

F3=Exit

Print Key Output
5769SS1 V4R3M0 980729 DP400

Page 1
04/10/00 10:03:15

Display Device : SOADSP169
User : C1

PTGKD3K DISPLAY

Assessment Inquiry Page 2

4/10/00 10:03:13

Tax Yr 1999 Pay 2000

Parcel Nbr 14-35.0-109-007 Name EIGHTEENTH STREET

	Prior Year Brd Rvw EQ	Assessor Changes	Supv-of-Assessment Changes	Equalize	Board-of-Review Changes	Equalize
Status	A	A	A	A	A	A
Class	60	60	60	60	60	60
Tax Code	001	001	001	001	001	001
Reason		000-001				
Non-Farm Land	14074	16500	16500	16500	16500	16774
Non-Farm Bldg	88996	83466	83466	83466	83466	84852
Farm Land						
Farm Bldg						
1st NFM Bldg						
1st FM Bldg						
* Total *	103070	99966	99966	99966	99966	101626

Current Non-Farm Acres

Current Farm Acres


F3=Exit F14=Townships F15=Sr Citizen F16=Hm Improve Pg-Up Pg-Down

3

15
34

**SPECIAL
WARRANTY DEED**

SANGAMON COUNTY ILLINOIS	
95-28016	95 AUG 23 AM 9:15
<i>Mary Ann Sammel</i> RECORDER	
Do Not Write In This Space (For Recorder Use Only)	

SANGAMON COUNTY ILLINOIS		STATE OF ILLINOIS	
		REAL ESTATE TRANSFER TAX	
		AUG 23 '95	DEPT. OF REVENUE
		***	290.00

TAX PAID

000098

SPECIAL WARRANTY DEED

This Deed is made on August 7, 1995, by **EQUITABLE LIFE INSURANCE COMPANY OF IOWA**, an Iowa corporation, duly authorized to transact business in the State of Illinois, having its principal place of business in Des Moines, Iowa, (hereinafter "Grantor"), to **EIGHTEENTH STREET PARTNERSHIP**, an Illinois General Partnership, having an office in Springfield, Illinois, (hereinafter "Grantee").

Grantor, in consideration of Ten and More Dollars paid by Grantee, and for other good and valuable consideration and pursuant to authority given by the Board of Directors of Grantor, CONVEYS and WARRANTS to Grantee that real property located in the County of Sangamon, State of Illinois, and more-particularly described as follows:

Lots 4, 5, 6, 7, 8, 9, 10, 11, 12 and 13, together with the alley lying between Lots 4 to 8, both inclusive, and Lots 9 to 13, both inclusive, all in Block 1 of Mrs. Trotter's Addition to the City of Springfield,

together with all and singular the hereditaments and appurtenances belonging or appertaining to such property, the reversion and reversions, remainder and remainders, rents, issues and profits of such property, and all the estate, right, title, interest, claim or demand of Grantor in and to such property.

To have and to hold the above-described real property to Grantee, its heirs and assigns, forever.

Grantor, for itself and its successors, further covenants, promises and agrees with Grantee, its heirs and assigns, that it has not done or suffered to be done anything whereby the property is or may be in any manner encumbered or charged, except as set forth in this Deed, and covenants further that it will warrant and defend the property against all persons lawfully claiming by, through or under it, subject, however, to the following:

1. The lien of real estate taxes for 1995 and subsequent years;
2. Applicable zoning laws and regulations, ordinances, statutes, any other body of law of any governmental authorities having jurisdiction over the property;
3. Restrictions, covenants, conditions, easements, rights of way and other matters of record, if any.
4. Rights of parties in possession, encroachments, overlaps, overhangs, unrecorded easements, violated restrictions, deficiencies in quantity of ground, boundary line disputes or any other matters, whether of record or not, which would be disclosed by an accurate survey and/or inspection of the property.

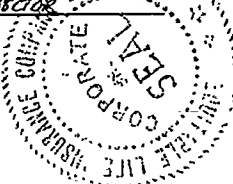
000099

IN WITNESS WHEREOF, Grantor has caused its corporate seal to be affixed and attested by its duly authorized officers on the date first above written.

EQUITABLE LIFE INSURANCE COMPANY
OF IOWA

By: [Signature] Robert H. Kowman
Its Mgr. Director

Attest: [Signature]
Its Atty



STATE OF ILLINOIS
COUNTY OF SANGAMON

I, a Notary Public in and for the above county and state, do hereby certify that Robert H. Kowman and Russell E. Schrage, personally known to me to be the Mgr. Director and Atty of the corporation, which is the Grantor, and personally known to me to be the same persons whose names are subscribed in the foregoing instrument, appeared before me this day in person and acknowledged that they signed and delivered said instrument as their free and voluntary act and as the free and voluntary act of the corporation, for the uses and purposes therein set forth.

Dated: Aug 7, 1995 Heather Brandt
Notary Public

PREPARED BY:
Russell E. Schrage
Nyemaster, Goode, McLaughlin, Voigt,
West, Hansell & O'Brien, P.C.
1900 Hub Tower
699 Walnut Street
Des Moines, IA 50309



RETURN DEED AND MAIL TAX BILL TO:
Eighteenth Street Partnership
c/o Edelberg Shiffman & Myers, Inc.
500 Iles Park Place - Suite 100
Springfield, IL 62718

RECORDATION REQUESTED BY:

ILLINI BANK
120 CHATHAM ROAD
SPRINGFIELD, IL 62704

WHEN RECORDED MAIL TO:

ILLINI BANK
120 CHATHAM ROAD
SPRINGFIELD, IL 62704

SEND TAX NOTICES TO:

ILLINI BANK
120 CHATHAM ROAD
SPRINGFIELD, IL 62704

SANGAMON COUNTY
ILLINOIS

96-09072

96 MAR -8 AM 9:56

Mary Ann Lamm
RECORDER

FOR RECORDER'S USE ONLY

This Modification of Mortgage prepared by:

MODIFICATION OF MORTGAGE

THIS MODIFICATION OF MORTGAGE IS DATED FEBRUARY 6, 1996, BETWEEN EIGHTEENTH STREET PARTNERSHIP (referred to below as "Grantor"), whose address is 500 ILES PARK PLACE, SUITE 100, SPRINGFIELD, IL 62718; and ILLINI BANK (referred to below as "Lender"), whose address is 120 CHATHAM ROAD, SPRINGFIELD, IL 62704.

MORTGAGE. Grantor and Lender have entered into a mortgage dated August 10, 1995 (the "Mortgage") recorded in SANGAMON County, State of Illinois as follows:

RECORDED ON AUGUST 23, 1995 IN THE SANGAMON COUNTY RECORDER OF DEEDS AS DOCUMENT #95-28017

REAL PROPERTY DESCRIPTION. The Mortgage covers the following described real property (the "Real Property") located in SANGAMON County, State of Illinois:

LOTS 4,5,6,7,8,9,10,11,12 AND 13 TOGETHER WITH THE ALLEY LYING BETWEEN LOTS 4 TO 8 INCLUSIVE AND LOTS 9 TO 13 BOTH INCLUSIVE, ALL IN BLOCK 1 OF MRS. TROTTER'S ADDITION TO THE CITY OF SPRINGFIELD. SITUATED IN SANGAMON COUNTY, ILLINOIS.

The Real Property or its address is commonly known as 1800 EAST ADAMS, SPRINGFIELD, IL 62703. The Real Property tax identification number is 14-35-109-007.

MODIFICATION. Grantor and Lender hereby modify the Mortgage as follows:

EXTENDED MATURITY DATE TO AUGUST 4, 1996..

CONTINUING VALIDITY. Except as expressly modified above, the terms of the original Mortgage shall remain unchanged and in full force and effect. Consent by Lender to this Modification does not waive Lender's right to require strict performance of the Mortgage as changed above nor obligate Lender to make any future modifications. Nothing in this Modification shall constitute a satisfaction of the promissory note or other credit agreement secured by the Mortgage (the "Note"). It is the intention of Lender to retain as liable all parties to the Mortgage and all parties, makers and endorsers to the Note, including accommodation parties, unless a party is expressly released by Lender in writing. Any maker or endorser, including accommodation makers, shall not be released by virtue of this Modification. If any person who signed the original Mortgage does not sign this Modification, then all persons signing below acknowledge that this Modification is given conditionally, based on the representation to Lender that the non-signing person consents to the changes and provisions of this Modification or otherwise will not be released by it. This waiver applies not only to any initial extension or modification, but also to all such subsequent actions.

000184

MODIFICATION OF MORTGAGE
(Continued)

EACH GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS MODIFICATION OF MORTGAGE, AND EACH GRANTOR AGREES TO ITS TERMS.

GRANTOR:

EIGHTEENTH STREET PARTNERSHIP

By: [Signature]
EDWIN A. EDELBERG AS TRUSTEE OF THE EDWIN A. EDELBERG TRUST, General Partner

By: [Signature]
BARRY A. SHIFFMAN, General Partner

By: [Signature]
LOUIS S. MYERS, General Partner

By: [Signature]
STEPHEN A. ZAUBI, General Partner

LENDER:

ILLINI BANK

By: [Signature: Ronald E. Wenger]
Authorized Officer

000185

PARTNERSHIP ACKNOWLEDGMENT

STATE OF Illinois

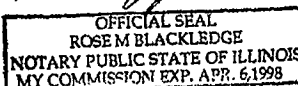
COUNTY OF Sangamon

On this 6th day of February, 19 96, before me, the undersigned Notary Public, personally appeared EDWIN A. EDELBERG AS TRUSTEE OF THE EDWIN A. EDELBERG TRUST, General Partner of EIGHTEENTH STREET PARTNERSHIP; BARRY A. SHIFFMAN, General Partner of EIGHTEENTH STREET PARTNERSHIP; LOUIS S. MYERS, General Partner of EIGHTEENTH STREET PARTNERSHIP; and STEPHEN I. ZAUBI, General Partner of EIGHTEENTH STREET PARTNERSHIP, and known to me to be partners or designated agents of the partnership that executed the Modification of Mortgage and acknowledged the Modification to be the free and voluntary act and deed of the partnership, by authority of statute or its Partnership Agreement, for the uses and purposes therein mentioned, and on oath stated that they are authorized to execute this Modification and in fact executed the Modification on behalf of the partnership.

By Rose M Blackledge Residing at Springfield

Notary Public in and for the State of Illinois

My commission expires April 6, 1998



LENDER ACKNOWLEDGMENT

STATE OF Illinois

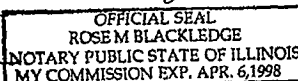
COUNTY OF Sangamon

On this 6th day of February, 19 96, before me, the undersigned Notary Public, personally appeared Ronald E. Wenger and known to me to be the Vice President, authorized agent for the Lender that executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of the said Lender, duly authorized by the Lender through its board of directors or otherwise, for the uses and purposes therein mentioned, and on oath stated that he or she is authorized to execute this said instrument and that the seal affixed is the corporate seal of said Lender.

By Rose M Blackledge Residing at Springfield

Notary Public in and for the State of Illinois

My commission expires April 6, 1998



RECORDATION REQUESTED BY:

ILLINI BANK
3200 WEST ILES
SPRINGFIELD, IL 62707

WHEN RECORDED MAIL TO:

ILLINI BANK
P.O. BOX 380
SHERMAN, IL 62684

SANGAMON COUNTY
ILLINOIS

98-12331

98 MAR 13 AM 11:40

Mary Ann Lamm
RECORDER

FOR RECORDER'S USE ONLY

This Mortgage prepared by: ILLINI BANK

Illini Bank

MORTGAGE

THIS MORTGAGE IS DATED MARCH 2, 1998, between EIGHTEENTH STREET PARTNERSHIP, AN ILLINOIS GENERAL PARTNERSHIP, whose address is 500 ILES PARK PLACE SUITE 100, SPRINGFIELD, IL 62718 (referred to below as "Grantor"); and ILLINI BANK, whose address is 3200 WEST ILES, SPRINGFIELD, IL 62707 (referred to below as "Lender").

GRANT OF MORTGAGE. For valuable consideration, Grantor mortgages, warrants, and conveys to Lender all of Grantor's right, title, and interest in and to the following described real property, together with all existing or subsequently erected or affixed buildings, improvements and fixtures; all easements, rights of way, and appurtenances; all water, water rights, watercourses and ditch rights (including stock in utilities with ditch or irrigation rights); and all other rights, royalties, and profits relating to the real property, including without limitation all minerals, oil, gas, geothermal and similar matters, located in SANGAMON County, State of Illinois (the "Real Property"):

LOTS 4, 5, 6, 7, 8, 9, 10, 11, 12 AND 13 TOGETHER WITH THE ALLEY LYING BETWEEN LOTS 4 TO 8 BOTH INCLUSIVE AND LOTS 9 TO 13 BOTH INCLUSIVE, ALL IN BLOCK 1 OF MRS. TROTTER'S ADDITION TO THE CITY OF SPRINGFIELD. SITUATED IN SANGAMON COUNTY, ILLINOIS

The Real Property or its address is commonly known as 1800 EAST ADAMS, SPRINGFIELD, IL 62718. The Real Property tax identification number is 14-35-109-007.

Grantor presently assigns to Lender all of Grantor's right, title, and interest in and to all leases of the Property and all Rents from the Property. In addition, Grantor grants to Lender a Uniform Commercial Code security interest in the Personal Property and Rents.

DEFINITIONS. The following words shall have the following meanings when used in this Mortgage. Terms not otherwise defined in this Mortgage shall have the meanings attributed to such terms in the Uniform Commercial Code. All references to dollar amounts shall mean amounts in lawful money of the United States of America.

Grantor. The word "Grantor" means EIGHTEENTH STREET PARTNERSHIP, AN ILLINOIS GENERAL PARTNERSHIP. The Grantor is the mortgagor under this Mortgage.

Guarantor. The word "Guarantor" means and includes without limitation each and all of the guarantors, sureties, and accommodation parties in connection with the Indebtedness.

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Improvements. The word "Improvements" means and includes without limitation all existing and future improvements, buildings, structures, mobile homes affixed on the Real Property, facilities, additions, replacements and other construction on the Real Property.

Indebtedness. The word "Indebtedness" means all principal and interest payable under the Note and any amounts expended or advanced by Lender to discharge obligations of Grantor or expenses incurred by Lender to enforce obligations of Grantor under this Mortgage, together with interest on such amounts as provided in this Mortgage. **At no time shall the principal amount of Indebtedness secured by the Mortgage, not including sums advanced to protect the security of the Mortgage, exceed the note amount of \$250,000.00.**

Lender. The word "Lender" means ILLINI BANK, its successors and assigns. The Lender is the mortgagee under this Mortgage.

Mortgage. The word "Mortgage" means this Mortgage between Grantor and Lender, and includes without limitation all assignments and security interest provisions relating to the Personal Property and Rents.

Note. The word "Note" means the promissory note or credit agreement dated March 2, 1998, in the original principal amount of \$250,000.00 from Grantor to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the promissory note or agreement. The interest rate on the Note is 8.750%. The Note is payable in 54 monthly payments of \$5,634.01. The maturity date of this Mortgage is September 2, 2002.

Personal Property. The words "Personal Property" mean all equipment, fixtures, and other articles of personal property now or hereafter owned by Grantor, and now or hereafter attached or affixed to the Real Property; together with all accessions, parts, and additions to, all replacements of, and all substitutions for, any of such property; and together with all proceeds (including without limitation all insurance proceeds and refunds of premiums) from any sale or other disposition of the Property.

Property. The word "Property" means collectively the Real Property and the Personal Property.

Real Property. The words "Real Property" mean the property, interests and rights described above in the "Grant of Mortgage" section.

Related Documents. The words "Related Documents" mean and include without limitation all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Indebtedness.

Rents. The word "Rents" means all present and future rents, revenues, income, issues, royalties, profits, and other benefits derived from the Property.

THIS MORTGAGE, INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN THE RENTS AND PERSONAL PROPERTY, IS GIVEN TO SECURE (1) PAYMENT OF THE INDEBTEDNESS AND (2) PERFORMANCE OF ALL OBLIGATIONS OF GRANTOR UNDER THIS MORTGAGE AND THE RELATED DOCUMENTS. THIS MORTGAGE IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:

PAYMENT AND PERFORMANCE. Except as otherwise provided in this Mortgage, Grantor shall pay to Lender all amounts secured by this Mortgage as they become due, and shall strictly perform all of Grantor's obligations under this Mortgage.

POSSESSION AND MAINTENANCE OF THE PROPERTY. Grantor agrees that Grantor's possession and use of the Property shall be governed by the following provisions:

Possession and Use. Until in default or until Lender exercises its right to collect Rents as provided for in the Assignment of Rents form executed by Grantor in connection with the Property, Grantor may remain in possession and control of and operate and manage the Property and collect the Rents from the Property.

Duty to Maintain. Grantor shall maintain the Property in tenantable condition and promptly perform all repairs, replacements, and maintenance necessary to preserve its value.

Hazardous Substances. The terms "hazardous waste," "hazardous substance," "disposal," "release," and "threatened release," as used in this Mortgage, shall have the same meanings as set forth in the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq. ("CERCLA"), the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499 ("SARA"), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., or other applicable state or Federal laws, rules, or regulations adopted pursuant to any of the foregoing. The terms "hazardous waste" and "hazardous substance" shall also include, without limitation, petroleum and petroleum by-products or any fraction thereof and asbestos. Grantor represents and warrants to Lender that: (a) During the period of Grantor's ownership of the Property, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any hazardous waste or substance by any person on, under, about or from the Property; (b) Grantor has no knowledge of, or reason to believe that there has been, except as previously disclosed to and acknowledged by Lender in writing, (i) any use, generation, manufacture, storage, treatment, disposal, release, or threatened release of any hazardous waste or substance on, under, about or from the Property by

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MORTGAGE
(Continued)

any prior owners or occupants of the Property or (ii) any actual or threatened litigation or claims of any kind by any person relating to such matters; and (c) Except as previously disclosed to and acknowledged by Lender in writing, (i) neither Grantor nor any tenant, contractor, agent or other authorized user of the Property shall use, generate, manufacture, store, treat, dispose of, or release any hazardous waste or substance on, under, about or from the Property and (ii) any such activity shall be conducted in compliance with all applicable federal, state, and local laws, regulations and ordinances, including without limitation those laws, regulations, and ordinances described above. Grantor authorizes Lender and its agents to enter upon the Property to make such inspections and tests, at Grantor's expense, as Lender may deem appropriate to determine compliance of the Property with this section of the Mortgage. Any inspections or tests made by Lender shall be for Lender's purposes only and shall not be construed to create any responsibility or liability on the part of Lender to Grantor or to any other person. The representations and warranties contained herein are based on Grantor's due diligence in investigating the Property for hazardous waste and hazardous substances. Grantor hereby (a) releases and waives any future claims against Lender for indemnity or contribution in the event Grantor becomes liable for cleanup or other costs under any such laws, and (b) agrees to indemnify and hold harmless Lender against any and all claims, losses, liabilities, damages, penalties, and expenses which Lender may directly or indirectly sustain or suffer resulting from a breach of this section of the Mortgage or as a consequence of any use, generation, manufacture, storage, disposal, release or threatened release occurring prior to Grantor's ownership or interest in the Property, whether or not the same was or should have been known to Grantor. The provisions of this section of the Mortgage, including the obligation to indemnify, shall survive the payment of the Indebtedness and the satisfaction and reconveyance of the lien of this Mortgage and shall not be affected by Lender's acquisition of any interest in the Property, whether by foreclosure or otherwise.

Nuisance, Waste. Grantor shall not cause, conduct or permit any nuisance nor commit, permit, or suffer any stripping of or waste on or to the Property or any portion of the Property. Without limiting the generality of the foregoing, Grantor will not remove, or grant to any other party the right to remove, any timber, minerals (including oil and gas), soil, gravel or rock products without the prior written consent of Lender.

Removal of Improvements. Grantor shall not demolish or remove any Improvements from the Real Property without the prior written consent of Lender. As a condition to the removal of any Improvements, Lender may require Grantor to make arrangements satisfactory to Lender to replace such Improvements with Improvements of at least equal value.

Lender's Right to Enter. Lender and its agents and representatives may enter upon the Real Property at all reasonable times to attend to Lender's interests and to inspect the Property for purposes of Grantor's compliance with the terms and conditions of this Mortgage.

Compliance with Governmental Requirements. Grantor shall promptly comply with all laws, ordinances, and regulations, now or hereafter in effect, of all governmental authorities applicable to the use or occupancy of the Property, including without limitation, the Americans With Disabilities Act. Grantor may contest in good faith any such law, ordinance, or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Grantor has notified Lender in writing prior to doing so and so long as, in Lender's sole opinion, Lender's interests in the Property are not jeopardized. Lender may require Grantor to post adequate security or a surety bond, reasonably satisfactory to Lender, to protect Lender's interest.

Duty to Protect. Grantor agrees neither to abandon nor leave unattended the Property. Grantor shall do all other acts, in addition to those acts set forth above in this section, which from the character and use of the Property are reasonably necessary to protect and preserve the Property.

DUE ON SALE - CONSENT BY LENDER. Lender may, at its option, declare immediately due and payable all sums secured by this Mortgage upon the sale or transfer, without the Lender's prior written consent, of all or any part of the Real Property, or any interest in the Real Property. A "sale or transfer" means the conveyance of Real Property or any right, title or interest therein; whether legal, beneficial or equitable; whether voluntary or involuntary; whether by outright sale, deed, installment sale contract, land contract, contract for deed, leasehold interest with a term greater than three (3) years, lease-option contract, or by sale, assignment, or transfer of any beneficial interest in or to any land trust holding title to the Real Property, or by any other method of conveyance of Real Property interest. If any Grantor is a corporation, partnership or limited liability company, transfer also includes any change in ownership of more than twenty-five percent (25%) of the voting stock, partnership interests or limited liability company interests, as the case may be, of Grantor. However, this option shall not be exercised by Lender if such exercise is prohibited by federal law or by Illinois law.

TAXES AND LIENS. The following provisions relating to the taxes and liens on the Property are a part of this Mortgage.

Payment. Grantor shall pay when due (and in all events prior to delinquency) all taxes, payroll taxes, special taxes, assessments, water charges and sewer service charges levied against or on account of the Property, and shall pay when due all claims for work done on or for services rendered or material furnished to the Property. Grantor shall maintain the Property free of all liens having priority over or equal to the interest of Lender under this Mortgage, except for the lien of taxes and assessments not due, and except as otherwise provided in the following paragraph.

Right To Contest. Grantor may withhold payment of any tax, assessment, or claim in connection with a good faith dispute over the obligation to pay, so long as Lender's interest in the Property is not jeopardized. If a lien arises or is filed as a result of nonpayment, Grantor shall within fifteen (15) days after the lien arises or, if a lien is filed, within fifteen (15) days after Grantor has notice of the filing, secure the discharge of the lien, or if

requested by Lender, deposit with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender in an amount sufficient to discharge the lien plus any costs and attorneys' fees or other charges that could accrue as a result of a foreclosure or sale under the lien. In any contest, Grantor shall defend itself and Lender and shall satisfy any adverse judgment before enforcement against the Property. Grantor shall name Lender as an additional obligee under any surety bond furnished in the contest proceedings.

Evidence of Payment. Grantor shall upon demand furnish to Lender satisfactory evidence of payment of the taxes or assessments and shall authorize the appropriate governmental official to deliver to Lender at any time a written statement of the taxes and assessments against the Property.

Notice of Construction. Grantor shall notify Lender at least fifteen (15) days before any work is commenced, any services are furnished, or any materials are supplied to the Property, if any mechanic's lien, materialmen's lien, or other lien could be asserted on account of the work, services, or materials and the cost exceeds \$100.00. Grantor will upon request of Lender furnish to Lender advance assurances satisfactory to Lender that Grantor can and will pay the cost of such improvements.

PROPERTY DAMAGE INSURANCE. The following provisions relating to insuring the Property are a part of this Mortgage.

Maintenance of Insurance. Grantor shall procure and maintain policies of fire insurance with standard extended coverage endorsements on a replacement basis for the full insurable value covering all improvements on the Real Property in an amount sufficient to avoid application of any coinsurance clause, and with a standard mortgagee clause in favor of Lender. Grantor shall also procure and maintain comprehensive general liability insurance in such coverage amounts as Lender may request with Lender being named as additional insureds in such liability insurance policies. Additionally, Grantor shall maintain such other insurance, including but not limited to hazard, business interruption and boiler insurance as Lender may require. Policies shall be written by such insurance companies and in such form as may be reasonably acceptable to Lender. Grantor shall deliver to Lender certificates of coverage from each insurer containing a stipulation that coverage will not be cancelled or diminished without a minimum of ten (10) days' prior written notice to Lender and not containing any disclaimer of the insurer's liability for failure to give such notice. Each insurance policy also shall include an endorsement providing that coverage in favor of Lender will not be impaired in any way by any act, omission or default of Grantor or any other person. Should the Real Property at any time become located in an area designated by the Director of the Federal Emergency Management Agency as a special flood hazard area, Grantor agrees to obtain and maintain Federal Flood Insurance for the full unpaid principal balance of the loan, up to the maximum policy limits set under the National Flood Insurance Program, or as otherwise required by Lender, and to maintain such insurance for the term of the loan.

Application of Proceeds. Grantor shall promptly notify Lender of any loss or damage to the Property if the estimated cost of repair or replacement exceeds \$100.00. Lender may make proof of loss if Grantor fails to do so within fifteen (15) days of the casualty. Whether or not Lender's security is impaired, Lender may, at its election, apply the proceeds to the reduction of the indebtedness, payment of any lien affecting the Property, or the restoration and repair of the Property. If Lender elects to apply the proceeds to restoration and repair, Grantor shall repair or replace the damaged or destroyed improvements in a manner satisfactory to Lender. Lender shall, upon satisfactory proof of such expenditure, pay or reimburse Grantor from the proceeds for the reasonable cost of repair or restoration if Grantor is not in default hereunder. Any proceeds which have not been disbursed within 180 days after their receipt and which Lender has not committed to the repair or restoration of the Property shall be used first to pay any amount owing to Lender under this Mortgage, then to prepay accrued interest, and the remainder, if any, shall be applied to the principal balance of the indebtedness. If Lender holds any proceeds after payment in full of the indebtedness, such proceeds shall be paid to Grantor.

Unexpired Insurance at Sale. Any unexpired insurance shall inure to the benefit of, and pass to, the purchaser of the Property covered by this Mortgage at any trustee's sale or other sale held under the provisions of this Mortgage, or at any foreclosure sale of such Property.

Grantor's Report on Insurance. Upon request of Lender, however not more than once a year, Grantor shall furnish to Lender a report on each existing policy of insurance showing: (a) the name of the insurer; (b) the risks insured; (c) the amount of the policy; (d) the property insured, the then current replacement value of such property, and the manner of determining that value; and (e) the expiration date of the policy. Grantor shall, upon request of Lender, have an independent appraiser satisfactory to Lender determine the cash value replacement cost of the Property.

EXPENDITURES BY LENDER. If Grantor fails to comply with any provision of this Mortgage, or if any action or proceeding is commenced that would materially affect Lender's interests in the Property, Lender on Grantor's behalf may, but shall not be required to, take any action that Lender deems appropriate. Any amount that Lender expends in so doing will bear interest at the rate provided for in the Note from the date incurred or paid by Lender to the date of repayment by Grantor. All such expenses, at Lender's option, will (a) be payable on demand, (b) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either (i) the term of any applicable insurance policy or (ii) the remaining term of the Note, or (c) be treated as a balloon payment which will be due and payable at the Note's maturity. This Mortgage also will secure payment of these amounts. The rights provided for in this paragraph shall be in addition to any other rights or any remedies to which Lender may be entitled on account of the default. Any such action by Lender shall not be construed as curing the default so as to bar Lender from any remedy that it otherwise would have had.

WARRANTY; DEFENSE OF TITLE. The following provisions relating to ownership of the Property are a part of this Mortgage.

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Title. Grantor warrants that: (a) Grantor holds good and marketable title of record to the Property in fee simple, free and clear of all liens and encumbrances other than those set forth in the Real Property description or in any title insurance policy, title report, or final title opinion issued in favor of, and accepted by, Lender in connection with this Mortgage, and (b) Grantor has the full right, power, and authority to execute and deliver this Mortgage to Lender.

Defense of Title. Subject to the exception in the paragraph above, Grantor warrants and will forever defend the title to the Property against the lawful claims of all persons. In the event any action or proceeding is commenced that questions Grantor's title or the interest of Lender under this Mortgage, Grantor shall defend the action at Grantor's expense. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of Lender's own choice, and Grantor will deliver, or cause to be delivered, to Lender such instruments as Lender may request from time to time to permit such participation.

Compliance With Laws. Grantor warrants that the Property and Grantor's use of the Property complies with all existing applicable laws, ordinances, and regulations of governmental authorities.

CONDEMNATION. The following provisions relating to condemnation of the Property are a part of this Mortgage.

Application of Net Proceeds. If all or any part of the Property is condemned by eminent domain proceedings or by any proceeding or purchase in lieu of condemnation, Lender may at its election require that all or any portion of the net proceeds of the award be applied to the indebtedness or the repair or restoration of the Property. The net proceeds of the award shall mean the award after payment of all reasonable costs, expenses, and attorneys' fees incurred by Lender in connection with the condemnation.

Proceedings. If any proceeding in condemnation is filed, Grantor shall promptly notify Lender in writing, and Grantor shall promptly take such steps as may be necessary to defend the action and obtain the award. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of its own choice, and Grantor will deliver or cause to be delivered to Lender such instruments as may be requested by it from time to time to permit such participation.

IMPOSITION OF TAXES, FEES AND CHARGES BY GOVERNMENTAL AUTHORITIES. The following provisions relating to governmental taxes, fees and charges are a part of this Mortgage:

Current Taxes, Fees and Charges. Upon request by Lender, Grantor shall execute such documents in addition to this Mortgage and take whatever other action is requested by Lender to perfect and continue Lender's lien on the Real Property. Grantor shall reimburse Lender for all taxes, as described below, together with all expenses incurred in recording, perfecting or continuing this Mortgage, including without limitation all taxes, fees, documentary stamps, and other charges for recording or registering this Mortgage.

Taxes. The following shall constitute taxes to which this section applies: (a) a specific tax upon this type of Mortgage or upon all or any part of the indebtedness secured by this Mortgage; (b) a specific tax on Grantor which Grantor is authorized or required to deduct from payments on the indebtedness secured by this type of Mortgage; (c) a tax on this type of Mortgage chargeable against the Lender or the holder of the Note; and (d) a specific tax on all or any portion of the indebtedness or on payments of principal and interest made by Grantor.

Subsequent Taxes. If any tax to which this section applies is enacted subsequent to the date of this Mortgage, this event shall have the same effect as an Event of Default (as defined below), and Lender may exercise any or all of its available remedies for an Event of Default as provided below unless Grantor either (a) pays the tax before it becomes delinquent, or (b) contests the tax as provided above in the Taxes and Liens section and deposits with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender.

SECURITY AGREEMENT; FINANCING STATEMENTS. The following provisions relating to this Mortgage as a security agreement are a part of this Mortgage.

Security Agreement. This instrument shall constitute a security agreement to the extent any of the Property constitutes fixtures or other personal property, and Lender shall have all of the rights of a secured party under the Uniform Commercial Code as amended from time to time.

Security Interest. Upon request by Lender, Grantor shall execute financing statements and take whatever other action is requested by Lender to perfect and continue Lender's security interest in the Rents and Personal Property. In addition to recording this Mortgage in the real property records, Lender may, at any time and without further authorization from Grantor, file executed counterparts, copies or reproductions of this Mortgage as a financing statement. Grantor shall reimburse Lender for all expenses incurred in perfecting or continuing this security interest. Upon default, Grantor shall assemble the Personal Property in a manner and at a place reasonably convenient to Grantor and Lender and make it available to Lender within three (3) days after receipt of written demand from Lender.

Addresses. The mailing addresses of Grantor (debtor) and Lender (secured party), from which information concerning the security interest granted by this Mortgage may be obtained (each as required by the Uniform Commercial Code), are as stated on the first page of this Mortgage.

FURTHER ASSURANCES; ATTORNEY-IN-FACT. The following provisions relating to further assurances and attorney-in-fact are a part of this Mortgage.

Further Assurances. At any time, and from time to time, upon request of Lender, Grantor will make, execute and deliver, or will cause to be made, executed or delivered, to Lender or to Lender's designee, and when requested by Lender, cause to be filed, recorded, refiled, or rerecorded, as the case may be, at such times and in such offices and places as Lender may deem appropriate, any and all such mortgages, deeds of trust,

security deeds, security agreements, financing statements, continuation statements, instruments of further assurance, certificates, and other documents as may, in the sole opinion of Lender, be necessary or desirable in order to effectuate, complete, perfect, continue, or preserve (a) the obligations of Grantor under the Note, this Mortgage, and the Related Documents, and (b) the liens and security interests created by this Mortgage as first and prior liens on the Property, whether now owned or hereafter acquired by Grantor. Unless prohibited by law or agreed to the contrary by Lender in writing, Grantor shall reimburse Lender for all costs and expenses incurred in connection with the matters referred to in this paragraph.

Attorney-in-Fact. If Grantor fails to do any of the things referred to in the preceding paragraph, Lender may do so for and in the name of Grantor and at Grantor's expense. For such purposes, Grantor hereby irrevocably appoints Lender as Grantor's attorney-in-fact for the purpose of making, executing, delivering, filing, recording, and doing all other things as may be necessary or desirable, in Lender's sole opinion, to accomplish the matters referred to in the preceding paragraph.

FULL PERFORMANCE. If Grantor pays all the Indebtedness when due, and otherwise performs all the obligations imposed upon Grantor under this Mortgage, Lender shall execute and deliver to Grantor a suitable satisfaction of this Mortgage and suitable statements of termination of any financing statement on file evidencing Lender's security interest in the Rents and the Personal Property. Grantor will pay, if permitted by applicable law, any reasonable termination fee as determined by Lender from time to time. If, however, payment is made by Grantor, whether voluntarily or otherwise, or by guarantor or by any third party, on the Indebtedness and thereafter Lender is forced to remit the amount of that payment (a) to Grantor's trustee in bankruptcy or to any similar person under any federal or state bankruptcy law or law for the relief of debtors, (b) by reason of any judgment, decree or order of any court or administrative body having jurisdiction over Lender or any of Lender's property, or (c) by reason of any settlement or compromise of any claim made by Lender with any claimant (including without limitation Grantor), the Indebtedness shall be considered unpaid for the purpose of enforcement of this Mortgage and this Mortgage shall continue to be effective or shall be reinstated, as the case may be, notwithstanding any cancellation of this Mortgage or of any note or other instrument or agreement evidencing the Indebtedness and the Property will continue to secure the amount repaid or recovered to the same extent as if that amount never had been originally received by Lender, and Grantor shall be bound by any judgment, decree, order, settlement or compromise relating to the Indebtedness or to this Mortgage.

DEFAULT. Each of the following, at the option of Lender, shall constitute an event of default ("Event of Default") under this Mortgage:

Default on Indebtedness. Failure of Grantor to make any payment when due on the Indebtedness.

Default on Other Payments. Failure of Grantor within the time required by this Mortgage to make any payment for taxes or insurance, or any other payment necessary to prevent filing of or to effect discharge of any lien.

Compliance Default. Failure of Grantor to comply with any other term, obligation, covenant or condition contained in this Mortgage, the Note or in any of the Related Documents.

Default in Favor of Third Parties. Should Grantor default under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Grantor's property or Grantor's ability to repay the Note or Grantor's ability to perform Grantor's obligations under this Mortgage or any of the Related Documents.

False Statements. Any warranty, representation or statement made or furnished to Lender by or on behalf of Grantor under this Mortgage, the Note or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished.

Defective Collateralization. This Mortgage or any of the Related Documents ceases to be in full force and effect (including failure of any collateral documents to create a valid and perfected security interest or lien) at any time and for any reason.

Death or Insolvency. The dissolution or termination of Grantor's existence as a going business or the death of any partner, the insolvency of Grantor, the appointment of a receiver for any part of Grantor's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Grantor.

Foreclosure, Forfeiture, etc. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Grantor or by any governmental agency against any of the Property. However, this subsection shall not apply in the event of a good faith dispute by Grantor as to the validity or reasonableness of the claim which is the basis of the foreclosure or forfeiture proceeding, provided that Grantor gives Lender written notice of such claim and furnishes reserves or a surety bond for the claim satisfactory to Lender.

Breach of Other Agreement. Any breach by Grantor under the terms of any other agreement between Grantor and Lender that is not remedied within any grace period provided therein, including without limitation any agreement concerning any indebtedness or other obligation of Grantor to Lender, whether existing now or later.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any Guarantor of any of the Indebtedness or any Guarantor dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any Guaranty of the Indebtedness.

Adverse Change. A material adverse change occurs in Grantor's financial condition, or Lender believes the prospect of payment or performance of the Indebtedness is impaired.

Insecurity. Lender reasonably deems itself insecure.

RIGHTS AND REMEDIES ON DEFAULT. Upon the occurrence of any Event of Default and at any time thereafter, Lender, at its option, may exercise any one or more of the following rights and remedies, in addition to any other rights or remedies provided by law:

Accelerate Indebtedness. Lender shall have the right at its option without notice to Grantor to declare the entire Indebtedness immediately due and payable, including any prepayment penalty which Grantor would be required to pay.

UCC Remedies. With respect to all or any part of the Personal Property, Lender shall have all the rights and remedies of a secured party under the Uniform Commercial Code.

Collect Rents. Lender shall have the right, without notice to Grantor, to take possession of the Property and collect the Rents, including amounts past due and unpaid, and apply the net proceeds, over and above Lender's costs, against the Indebtedness. In furtherance of this right, Lender may require any tenant or other user of the Property to make payments of rent or use fees directly to Lender. If the Rents are collected by Lender, then Grantor irrevocably designates Lender as Grantor's attorney-in-fact to endorse instruments received in payment thereof in the name of Grantor and to negotiate the same and collect the proceeds. Payments by tenants or other users to Lender in response to Lender's demand shall satisfy the obligations for which the payments are made, whether or not any proper grounds for the demand existed. Lender may exercise its rights under this subparagraph either in person, by agent, or through a receiver.

Mortgagee in Possession. Lender shall have the right to be placed as mortgagee in possession or to have a receiver appointed to take possession of all or any part of the Property, with the power to protect and preserve the Property, to operate the Property preceding foreclosure or sale, and to collect the Rents from the Property and apply the proceeds, over and above the cost of the receivership, against the Indebtedness. The mortgagee in possession or receiver may serve without bond if permitted by law. Lender's right to the appointment of a receiver shall exist whether or not the apparent value of the Property exceeds the Indebtedness by a substantial amount. Employment by Lender shall not disqualify a person from serving as a receiver.

Judicial Foreclosure. Lender may obtain a judicial decree foreclosing Grantor's interest in all or any part of the Property.

Deficiency Judgment. If permitted by applicable law, Lender may obtain a judgment for any deficiency remaining in the Indebtedness due to Lender after application of all amounts received from the exercise of the rights provided in this section.

Other Remedies. Lender shall have all other rights and remedies provided in this Mortgage or the Note or available at law or in equity.

Sale of the Property. To the extent permitted by applicable law, Grantor hereby waives any and all right to have the property marshalled. In exercising its rights and remedies, Lender shall be free to sell all or any part of the Property together or separately, in one sale or by separate sales. Lender shall be entitled to bid at any public sale on all or any portion of the Property.

Notice of Sale. Lender shall give Grantor reasonable notice of the time and place of any public sale of the Personal Property or of the time after which any private sale or other intended disposition of the Personal Property is to be made. Reasonable notice shall mean notice given at least ten (10) days before the time of the sale or disposition.

Waiver; Election of Remedies. A waiver by any party of a breach of a provision of this Mortgage shall not constitute a waiver of or prejudice the party's rights otherwise to demand strict compliance with that provision or any other provision. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or take action to perform an obligation of Grantor under this Mortgage after failure of Grantor to perform shall not affect Lender's right to declare a default and exercise its remedies under this Mortgage.

Attorneys' Fees; Expenses. If Lender institutes any suit or action to enforce any of the terms of this Mortgage, Lender shall be entitled to recover such sum as the court may adjudge reasonable as attorneys' fees at trial and on any appeal. Whether or not any court action is involved, all reasonable expenses incurred by Lender that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the Indebtedness payable on demand and shall bear interest from the date of expenditure until repaid at the rate provided for in the Note. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses whether or not there is a lawsuit, including attorneys' fees for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, and appraisal fees, and title insurance, to the extent permitted by applicable law. Grantor also will pay any court costs, in addition to all other sums provided by law.

NOTICES TO GRANTOR AND OTHER PARTIES. Any notice under this Mortgage, including without limitation any notice of default and any notice of sale to Grantor, shall be in writing, may be sent by telefacsimile (unless otherwise required by law), and shall be effective when actually delivered, or when deposited with a nationally recognized overnight courier, or, if mailed, shall be deemed effective when deposited in the United States mail first class, certified or registered mail, postage prepaid, directed to the addresses shown near the beginning of this Mortgage. Any party may change its address for notices under this Mortgage by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. All copies of notices of foreclosure from the holder of any lien which has priority over this Mortgage shall be sent to Lender's address, as shown near the beginning of this Mortgage. For notice purposes, Grantor agrees to keep Lender informed at all times of Grantor's current address.

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MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Mortgage:

Amendments. This Mortgage, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Mortgage. No alteration of or amendment to this Mortgage shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

Annual Reports. If the Property is used for purposes other than Grantor's residence, Grantor shall furnish to Lender, upon request, a certified statement of net operating income received from the Property during Grantor's previous fiscal year in such form and detail as Lender shall require. "Net operating income" shall mean all cash receipts from the Property less all cash expenditures made in connection with the operation of the Property.

Applicable Law. This Mortgage has been delivered to Lender and accepted by Lender in the State of Illinois. This Mortgage shall be governed by and construed in accordance with the laws of the State of Illinois.

Caption Headings. Caption headings in this Mortgage are for convenience purposes only and are not to be used to interpret or define the provisions of this Mortgage.

Merger. There shall be no merger of the interest or estate created by this Mortgage with any other interest or estate in the Property at any time held by or for the benefit of Lender in any capacity, without the written consent of Lender.

Multiple Parties. All obligations of Grantor under this Mortgage shall be joint and several, and all references to Grantor shall mean each and every Grantor. This means that each of the persons signing below is responsible for all obligations in this Mortgage.

Severability. If a court of competent jurisdiction finds any provision of this Mortgage to be invalid or unenforceable as to any person or circumstance, such finding shall not render that provision invalid or unenforceable as to any other persons or circumstances. If feasible, any such offending provision shall be deemed to be modified to be within the limits of enforceability or validity; however, if the offending provision cannot be so modified, it shall be stricken and all other provisions of this Mortgage in all other respects shall remain valid and enforceable.

Successors and Assigns. Subject to the limitations stated in this Mortgage on transfer of Grantor's interest, this Mortgage shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Property becomes vested in a person other than Grantor, Lender, without notice to Grantor, may deal with Grantor's successors with reference to this Mortgage and the indebtedness by way of forbearance or extension without releasing Grantor from the obligations of this Mortgage or liability under the indebtedness.

Time Is of the Essence. Time is of the essence in the performance of this Mortgage.

Waiver of Homestead Exemption. Grantor hereby releases and waives all rights and benefits of the homestead exemption laws of the State of Illinois as to all indebtedness secured by this Mortgage.

Waiver of Right of Redemption. NOTWITHSTANDING ANY OF THE PROVISIONS TO THE CONTRARY CONTAINED IN THIS MORTGAGE, GRANTOR HEREBY WAIVES, TO THE EXTENT PERMITTED UNDER 735 ILCS 5/15-1601(b), AS NOW ENACTED OR AS MODIFIED, AMENDED OR REPLACED, OR ANY SIMILAR LAW EXISTING NOW OR AFTER THE DATE OF THIS MORTGAGE, ANY AND ALL RIGHTS OF REDEMPTION ON BEHALF OF GRANTOR AND ON BEHALF OF ANY OTHER PERSONS PERMITTED TO REDEEM THE PROPERTY.

Waivers and Consents. Lender shall not be deemed to have waived any rights under this Mortgage (or under the Related Documents) unless such waiver is in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by any party of a provision of this Mortgage shall not constitute a waiver of or prejudice the party's right otherwise to demand strict compliance with that provision or any other provision. No prior waiver by Lender, nor any course of dealing between Lender and Grantor, shall constitute a waiver of any of Lender's rights or any of Grantor's obligations as to any future transactions. Whenever consent by Lender is required in this Mortgage, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required.

GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS MORTGAGE, AND GRANTOR AGREES TO ITS TERMS.

GRANTOR:

EIGHTEENTH STREET PARTNERSHIP, AN ILLINOIS GENERAL PARTNERSHIP

By:

Edwin A. Edelberg
EDWIN A. EDELBERG TRUSTEE OF THE EDWIN A. EDELBERG TRUST, General Partner

By:

Barry S. Shiffman
BARRY S. SHIFFMAN, General Partner

By:

Louis S. Myers
LOUIS S. MYERS, General Partner

By:

Stephen L. Zaubi
STEPHEN L. ZAUBI, General Partner

PARTNERSHIP ACKNOWLEDGMENT

STATE OF ILLINOIS)

) ss

COUNTY OF SANGAMON)

On this 2 day of MARCH, 19 98, before me, the undersigned Notary Public, personally appeared EDWIN A. EDELBERG TRUSTEE OF THE EDWIN A. EDELBERG TRUST, General Partner of EIGHTEENTH STREET PARTNERSHIP, AN ILLINOIS GENERAL PARTNERSHIP; BARRY S. SHIFFMAN, General Partner of EIGHTEENTH STREET PARTNERSHIP, AN ILLINOIS GENERAL PARTNERSHIP; LOUIS S. MYERS, General Partner of EIGHTEENTH STREET PARTNERSHIP, AN ILLINOIS GENERAL PARTNERSHIP; and STEPHEN L. ZAUBI, General Partner of EIGHTEENTH STREET PARTNERSHIP, AN ILLINOIS GENERAL PARTNERSHIP, and known to me to be partners or designated agents of the partnership that executed the Mortgage and acknowledged the Mortgage to be the free and voluntary act and deed of the partnership, by authority of statute or its Partnership Agreement, for the uses and purposes therein mentioned, and on oath stated that they are authorized to execute this Mortgage and in fact executed the Mortgage on behalf of the partnership.

By

Kay E. Peet

Residing at

352 So. Lake Mill Rd

Notary Public in and for the State of ILLINOIS

My commission expires 2/14/02



000323

03-02-1998
Loan No 8210000046

MORTGAGE
(Continued)

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[IL-G03 E3.24 18THST.LN C4.OVL]



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RECORDATION REQUESTED BY:
ILLINI BANK
3200 WEST ILES
SPRINGFIELD, IL 62707

SANGAMON COUNTY
ILLINOIS

98-12332

MAR 13 AM 11:40

WHEN RECORDED MAIL TO:
ILLINI BANK
P.O. BOX 380
SHERMAN, IL 62684

Mary Ann Sammel
RECORDER

FOR RECORDER'S USE ONLY

This Assignment of Rents prepared by: ILLINI BANK

ASSIGNMENT OF RENTS

THIS ASSIGNMENT OF RENTS IS DATED MARCH 2, 1998, between EIGHTEENTH STREET PARTNERSHIP, AN ILLINOIS GENERAL PARTNERSHIP, whose address is 500 ILES PARK PLACE SUITE 100, SPRINGFIELD, IL 62718 (referred to below as "Grantor"); and ILLINI BANK, whose address is 3200 WEST ILES, SPRINGFIELD, IL 62707 (referred to below as "Lender").

ASSIGNMENT. For valuable consideration, Grantor assigns, grants a continuing security interest in, and conveys to Lender all of Grantor's right, title, and interest in and to the Rents from the following described Property located in SANGAMON County, State of Illinois:

LOTS 4, 5, 6, 7, 8, 9, 10, 11, 12 AND 13 TOGETHER WITH THE ALLEY LYING BETWEEN LOTS 4 TO 8 BOTH INCLUSIVE AND LOTS 9 TO 13 BOTH INCLUSIVE, ALL IN BLOCK 1 OF MRS. TROTTER'S ADDITION TO THE CITY OF SPRINGFIELD. SITUATED IN SANGAMON COUNTY, ILLINOIS

The Real Property or its address is commonly known as 1800 EAST ADAMS, SPRINGFIELD, IL 62718. The Real Property tax identification number is 14-35-109-007.

DEFINITIONS. The following words shall have the following meanings when used in this Assignment. Terms not otherwise defined in this Assignment shall have the meanings attributed to such terms in the Uniform Commercial Code. All references to dollar amounts shall mean amounts in lawful money of the United States of America.

Assignment. The word "Assignment" means this Assignment of Rents between Grantor and Lender, and includes without limitation all assignments and security interest provisions relating to the Rents.

Event of Default. The words "Event of Default" mean and include without limitation any of the Events of Default set forth below in the section titled "Events of Default."

Grantor. The word "Grantor" means EIGHTEENTH STREET PARTNERSHIP, AN ILLINOIS GENERAL PARTNERSHIP.

Indebtedness. The word "Indebtedness" means all principal and interest payable under the Note and any amounts expended or advanced by Lender to discharge obligations of Grantor or expenses incurred by Lender to enforce obligations of Grantor under this Assignment, together with interest on such amounts as provided in this Assignment.

Lender. The word "Lender" means ILLINI BANK, its successors and assigns.

Note. The word "Note" means the promissory note or credit agreement dated March 2, 1998, in the original

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ASSIGNMENT OF RENTS
(Continued)

principal amount of \$250,000.00 from Grantor to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the promissory note or agreement. The interest rate on the Note is 8.750%. The Note is payable in 54 monthly payments of \$5,634.01.

Property. The word "Property" means the real property, and all improvements thereon, described above in the "Assignment" section.

Real Property. The words "Real Property" mean the property, interests and rights described above in the "Property Definition" section.

Related Documents. The words "Related Documents" mean and include without limitation all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the indebtedness.

Rents. The word "Rents" means all rents, revenues, income, issues, profits and proceeds from the Property, whether due now or later, including without limitation all Rents under that certain lease with OFFICE OF THE SECRETARY OF STATE, DEPARTMENT OF PHYSICAL SERVICES which was made on the following terms and conditions:

Lease Terms: 7/1/97 - 10/31/97 MONTHLY PAYMENT \$3,906.00 11/1/97 - 6/30/99 MONTHLY PAYMENT \$8,875.00 7/1/99 - 6/30/00 MONTHLY PAYMENT \$9,141.25 7/1/00 - 6/30/01 MONTHLY PAYMENT \$9,407.00 7/1/01 - 6/30/02 MONTHLY PAYMENT \$9,703.33
Tenant's Address: ROOM 195 HOWLETT BUILDING, SPRINGFIELD, ILLINOIS 62756

THIS ASSIGNMENT IS GIVEN TO SECURE (1) PAYMENT OF THE INDEBTEDNESS AND (2) PERFORMANCE OF ANY AND ALL OBLIGATIONS OF GRANTOR UNDER THE NOTE, THIS ASSIGNMENT, AND THE RELATED DOCUMENTS. THIS ASSIGNMENT IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:

PAYMENT AND PERFORMANCE. Except as otherwise provided in this Assignment or any Related Document, Grantor shall pay to Lender all amounts secured by this Assignment as they become due, and shall strictly perform all of Grantor's obligations under this Assignment. Unless and until Lender exercises its right to collect the Rents as provided below and so long as there is no default under this Assignment, Grantor may remain in possession and control of and operate and manage the Property and collect the Rents, provided that the granting of the right to collect the Rents shall not constitute Lender's consent to the use of cash collateral in a bankruptcy proceeding.

GRANTOR'S REPRESENTATIONS AND WARRANTIES WITH RESPECT TO THE RENTS. With respect to the Rents, Grantor represents and warrants to Lender that:

Ownership. Grantor is entitled to receive the Rents free and clear of all rights, loans, liens, encumbrances, and claims except as disclosed to and accepted by Lender in writing.

Right to Assign. Grantor has the full right, power, and authority to enter into this Assignment and to assign and convey the Rents to Lender.

No Prior Assignment. Grantor has not previously assigned or conveyed the Rents to any other person by any instrument now in force.

No Further Transfer. Grantor will not sell, assign, encumber, or otherwise dispose of any of Grantor's rights in the Rents except as provided in this Agreement.

LENDER'S RIGHT TO COLLECT RENTS. Lender shall have the right at any time, and even though no default shall have occurred under this Assignment, to collect and receive the Rents. For this purpose, Lender is hereby given and granted the following rights, powers and authority:

Notice to Tenants. Lender may send notices to any and all tenants of the Property advising them of this Assignment and directing all Rents to be paid directly to Lender or Lender's agent.

Enter the Property. Lender may enter upon and take possession of the Property; demand, collect and receive from the tenants or from any other persons liable therefor, all of the Rents; institute and carry on all legal proceedings necessary for the protection of the Property, including such proceedings as may be necessary to recover possession of the Property; collect the Rents and remove any tenant or tenants or other persons from the Property.

Maintain the Property. Lender may enter upon the Property to maintain the Property and keep the same in repair; to pay the costs thereof and of all services of all employees, including their equipment, and of all continuing costs and expenses of maintaining the Property in proper repair and condition, and also to pay all taxes, assessments and water utilities, and the premiums on fire and other insurance effected by Lender on the Property.

Compliance with Laws. Lender may do any and all things to execute and comply with the laws of the State of Illinois and also all other laws, rules, orders, ordinances and requirements of all other governmental agencies affecting the Property.

Lease the Property. Lender may rent or lease the whole or any part of the Property for such term or terms and on such conditions as Lender may deem appropriate.

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ASSIGNMENT OF RENTS
(Continued)

Employ Agents. Lender may engage such agent or agents as Lender may deem appropriate, either in Lender's name or in Grantor's name, to rent and manage the Property, including the collection and application of Rents.

Other Acts. Lender may do all such other things and acts with respect to the Property as Lender may deem appropriate and may act exclusively and solely in the place and stead of Grantor and to have all of the powers of Grantor for the purposes stated above.

No Requirement to Act. Lender shall not be required to do any of the foregoing acts or things, and the fact that Lender shall have performed one or more of the foregoing acts or things shall not require Lender to do any other specific act or thing.

APPLICATION OF RENTS. All costs and expenses incurred by Lender in connection with the Property shall be for Grantor's account and Lender may pay such costs and expenses from the Rents. Lender, in its sole discretion, shall determine the application of any and all Rents received by it; however, any such Rents received by Lender which are not applied to such costs and expenses shall be applied to the Indebtedness. All expenditures made by Lender under this Assignment and not reimbursed from the Rents shall become a part of the Indebtedness secured by this Assignment, and shall be payable on demand, with interest at the Note rate from date of expenditure until paid.

FULL PERFORMANCE. If Grantor pays all of the Indebtedness when due and otherwise performs all the obligations imposed upon Grantor under this Assignment, the Note, and the Related Documents, Lender shall execute and deliver to Grantor a suitable satisfaction of this Assignment and suitable statements of termination of any financing statement on file evidencing Lender's security interest in the Rents and the Property. Any termination fee required by law shall be paid by Grantor, if permitted by applicable law. If, however, payment is made by Grantor, whether voluntarily or otherwise, or by guarantor or by any third party, on the Indebtedness and thereafter Lender is forced to remit the amount of that payment (a) to Grantor's trustee in bankruptcy or to any similar person under any federal or state bankruptcy law or law for the relief of debtors, (b) by reason of any judgment, decree or order of any court or administrative body having jurisdiction over Lender or any of Lender's property, or (c) by reason of any settlement or compromise of any claim made by Lender with any claimant (including without limitation Grantor), the Indebtedness shall be considered unpaid for the purpose of enforcement of this Assignment and this Assignment shall continue to be effective or shall be reinstated, as the case may be, notwithstanding any cancellation of this Assignment or of any note or other instrument or agreement evidencing the Indebtedness and the Property will continue to secure the amount repaid or recovered to the same extent as if that amount never had been originally received by Lender, and Grantor shall be bound by any judgment, decree, order, settlement or compromise relating to the Indebtedness or to this Assignment.

EXPENDITURES BY LENDER. If Grantor fails to comply with any provision of this Assignment, or if any action or proceeding is commenced that would materially affect Lender's interests in the Property, Lender on Grantor's behalf may, but shall not be required to, take any action that Lender deems appropriate. Any amount that Lender expends in so doing will bear interest at the rate provided for in the Note from the date incurred or paid by Lender to the date of repayment by Grantor. All such expenses, at Lender's option, will (a) be payable on demand, (b) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either (i) the term of any applicable insurance policy or (ii) the remaining term of the Note, or (c) be treated as a balloon payment which will be due and payable at the Note's maturity. This Assignment also will secure payment of these amounts. The rights provided for in this paragraph shall be in addition to any other rights or any remedies to which Lender may be entitled on account of the default. Any such action by Lender shall not be construed as curing the default so as to bar Lender from any remedy that it otherwise would have had.

DEFAULT. Each of the following, at the option of Lender, shall constitute an event of default ("Event of Default") under this Assignment:

Default on Indebtedness. Failure of Grantor to make any payment when due on the Indebtedness.

Compliance Default. Failure of Grantor to comply with any other term, obligation, covenant or condition contained in this Assignment, the Note or in any of the Related Documents.

Default in Favor of Third Parties. Should Borrower or any Grantor default under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Borrower's property or Borrower's or any Grantor's ability to repay the Loans or perform their respective obligations under this Assignment or any of the Related Documents.

False Statements. Any warranty, representation or statement made or furnished to Lender by or on behalf of Grantor under this Assignment, the Note or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished.

Defective Collateralization. This Assignment or any of the Related Documents ceases to be in full force and effect (including failure of any collateral documents to create a valid and perfected security interest or lien) at any time and for any reason.

Other Defaults. Failure of Grantor to comply with any term, obligation, covenant, or condition contained in any other agreement between Grantor and Lender.

Death or Insolvency. The dissolution or termination of Grantor's existence as a going business or the death of any partner, the insolvency of Grantor, the appointment of a receiver for any part of Grantor's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Grantor.

Foreclosure, Forfeiture, etc. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Grantor or by any governmental

ASSIGNMENT OF RENTS
(Continued)

agency against any of the Property. However, this subsection shall not apply in the event of a good faith dispute by Grantor as to the validity or reasonableness of the claim which is the basis of the foreclosure or forfeiture proceeding, provided that Grantor gives Lender written notice of such claim and furnishes reserves or a surety bond for the claim satisfactory to Lender.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any Guarantor of any of the Indebtedness or any Guarantor dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any Guaranty of the Indebtedness.

Adverse Change. A material adverse change occurs in Grantor's financial condition, or Lender believes the prospect of payment or performance of the Indebtedness is impaired.

Insecurity. Lender reasonably deems itself insecure.

RIGHTS AND REMEDIES ON DEFAULT. Upon the occurrence of any Event of Default and at any time thereafter, Lender may exercise any one or more of the following rights and remedies, in addition to any other rights or remedies provided by law:

Accelerate Indebtedness. Lender shall have the right at its option without notice to Grantor to declare the entire Indebtedness immediately due and payable, including any prepayment penalty which Grantor would be required to pay.

Collect Rents. Lender shall have the right, without notice to Grantor, to take possession of the Property and collect the Rents, including amounts past due and unpaid, and apply the net proceeds, over and above Lender's costs, against the Indebtedness. In furtherance of this right, Lender shall have all the rights provided for in the Lender's Right to Collect Section, above. If the Rents are collected by Lender, then Grantor irrevocably designates Lender as Grantor's attorney-in-fact to endorse instruments received in payment thereof in the name of Grantor and to negotiate the same and collect the proceeds. Payments by tenants or other users to Lender in response to Lender's demand shall satisfy the obligations for which the payments are made, whether or not any proper grounds for the demand existed. Lender may exercise its rights under this subparagraph either in person, by agent, or through a receiver.

Mortgagee in Possession. Lender shall have the right to be placed as mortgagee in possession or to have a receiver appointed to take possession of all or any part of the Property, with the power to protect and preserve the Property, to operate the Property preceding foreclosure or sale, and to collect the Rents from the Property and apply the proceeds, over and above the cost of the receivership, against the Indebtedness. The mortgagee in possession or receiver may serve without bond if permitted by law. Lender's right to the appointment of a receiver shall exist whether or not the apparent value of the Property exceeds the Indebtedness by a substantial amount. Employment by Lender shall not disqualify a person from serving as a receiver.

Other Remedies. Lender shall have all other rights and remedies provided in this Assignment or the Note or by law.

Waiver; Election of Remedies. A waiver by any party of a breach of a provision of this Assignment shall not constitute a waiver of or prejudice the party's rights otherwise to demand strict compliance with that provision or any other provision. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or take action to perform an obligation of Grantor under this Assignment after failure of Grantor to perform shall not affect Lender's right to declare a default and exercise its remedies under this Assignment.

Attorneys' Fees; Expenses. If Lender institutes any suit or action to enforce any of the terms of this Assignment, Lender shall be entitled to recover such sum as the court may adjudge reasonable as attorneys' fees at trial and on any appeal. Whether or not any court action is involved, all reasonable expenses incurred by Lender that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the Indebtedness payable on demand and shall bear interest from the date of expenditure until repaid at the rate provided for in the Note. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses whether or not there is a lawsuit, including attorneys' fees for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, and appraisal fees, and title insurance, to the extent permitted by applicable law. Grantor also will pay any court costs, in addition to all other sums provided by law.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Assignment:

Amendments. This Assignment, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Assignment. No alteration of or amendment to this Assignment shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

Applicable Law. This Assignment has been delivered to Lender and accepted by Lender in the State of Illinois. This Assignment shall be governed by and construed in accordance with the laws of the State of Illinois.

Multiple Parties. All obligations of Grantor under this Assignment shall be joint and several, and all references to Grantor shall mean each and every Grantor. This means that each of the persons signing below is responsible for all obligations in this Assignment.

No Modification. Grantor shall not enter into any agreement with the holder of any mortgage, deed of trust, or other security agreement which has priority over this Assignment by which that agreement is modified,

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ASSIGNMENT OF RENTS
(Continued)

amended, extended, or renewed without the prior written consent of Lender. Grantor shall neither request nor accept any future advances under any such security agreement without the prior written consent of Lender.

Severability. If a court of competent jurisdiction finds any provision of this Assignment to be invalid or unenforceable as to any person or circumstance, such finding shall not render that provision invalid or unenforceable as to any other persons or circumstances. If feasible, any such offending provision shall be deemed to be modified to be within the limits of enforceability or validity; however, if the offending provision cannot be so modified, it shall be stricken and all other provisions of this Assignment in all other respects shall remain valid and enforceable.

Successors and Assigns. Subject to the limitations stated in this Assignment on transfer of Grantor's interest, this Assignment shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Property becomes vested in a person other than Grantor, Lender, without notice to Grantor, may deal with Grantor's successors with reference to this Assignment and the indebtedness by way of forbearance or extension without releasing Grantor from the obligations of this Assignment or liability under the indebtedness.

Time is of the Essence. Time is of the essence in the performance of this Assignment.

Waiver of Homestead Exemption. Grantor hereby releases and waives all rights and benefits of the homestead exemption laws of the State of Illinois as to all indebtedness secured by this Assignment.

Waivers and Consents. Lender shall not be deemed to have waived any rights under this Assignment (or under the Related Documents) unless such waiver is in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by any party of a provision of this Assignment shall not constitute a waiver of or prejudice the party's right otherwise to demand strict compliance with that provision or any other provision. No prior waiver by Lender, nor any course of dealing between Lender and Grantor, shall constitute a waiver of any of Lender's rights or any of Grantor's obligations as to any future transactions. Whenever consent by Lender is required in this Assignment, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required.

GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS ASSIGNMENT OF RENTS, AND GRANTOR AGREES TO ITS TERMS.

GRANTOR:

EIGHTEENTH STREET PARTNERSHIP, AN ILLINOIS GENERAL PARTNERSHIP

By: 

EDWIN A. EDELBERG TRUSTEE OF THE EDWIN A. EDELBERG TRUST, General Partner

By: 

BARRY S. SHIFFMAN, General Partner

By: 

LOUIS S. MYERS, General Partner

By: 

STEPHEN L. ZAUBL, General Partner

000329

PARTNERSHIP ACKNOWLEDGMENT

STATE OF ILLINOIS)
) ss
COUNTY OF SANGAMON)

On this 2 day of MARCH, 19 98, before me, the undersigned Notary Public, personally appeared EDWIN A. EDELBERG TRUSTEE OF THE EDWIN A. EDELBERG TRUST, General Partner of EIGHTEENTH STREET PARTNERSHIP, AN ILLINOIS GENERAL PARTNERSHIP; BARRY S. SHIFFMAN, General Partner of EIGHTEENTH STREET PARTNERSHIP, AN ILLINOIS GENERAL PARTNERSHIP; LOUIS S. MYERS, General Partner of EIGHTEENTH STREET PARTNERSHIP, AN ILLINOIS GENERAL PARTNERSHIP; and STEPHEN L. ZAUBI, General Partner of EIGHTEENTH STREET PARTNERSHIP, AN ILLINOIS GENERAL PARTNERSHIP, and known to me to be partners or designated agents of the partnership that executed the Assignment of Rents and acknowledged the Assignment to be the free and voluntary act and deed of the partnership, by authority of statute or its Partnership Agreement, for the uses and purposes therein mentioned, and on oath stated that they are authorized to execute this Assignment and in fact executed the Assignment on behalf of the partnership.

By Kay E. Peet Residing at 352 So. Koke Mill Rd.

Notary Public in and for the State of ILLINOIS

My commission expires 2/14/02



194A-SI-50818/194A-SI-50992
KAA:kaa

1

On April 11, 2000, SA [] met with SA [] of the Chicago Division of the FBI accompanied by AUSA [] with the U.S. Attorney's Office in Chicago. The meeting occurred in Springfield, Illinois. SA [] provided them a copy of a cassette tape capturing [] between [] and []

b6
b7C
b7D

SA [] also provided to them copies of the following serials from file 194A-SI-50818: 1C1; 1C2; 38; 37; 35; 34; 29; 28; 27; 26; 25; 24; 23; 21; 20; 19; 18; 17; 16; 15; 14; 11; 10; 4; 3; and 2. SA [] also provided them with an FD 302 dated 4/4/00 re: [] an insert dated March 22, 2000, and an EC dated 3/29/2000.

b6
b7C
b7D

SA [] also provided to them copies of the following from file 194A-SI-50992: a copy of a Postal Inspector interview of []; a rough draft 302 dated 3/22/2000 of an interview with [] and documents received from []

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b7D

SA [] also transferred [] to SA [] and executed the appropriate chain of custody reports.

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194A-SI-50818-52

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FBI-SPRINGFIELD	

[Signature]

KAA:kaa ✓

White denies lawyer's firing budget-related

By **PAUL KRAWZAK**
and **JOE MAHR**

COPLEY NEWS SERVICE

CHICAGO — Secretary of State Jesse White on Monday denied that he fired his former chief legal counsel, Donna Leonard, because of pressure related to getting his office's budget passed.

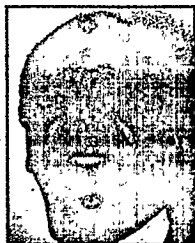
Meanwhile, White announced the hiring of two attorneys to replace Leonard, including one who will focus solely on working with federal authorities investigating the illegal sale of commercial drivers' licenses in Illinois.

Leonard was the office's key liaison with federal investigators who are probing what they have described as a vast bribery scheme that goes back several years to when George Ryan was secretary of state.

White's former inspector general, David Grossman, said that just last Wednesday White told him during a telephone conference call that Leonard's presence on his staff was holding up approval of his budget by the legislature. Leonard also was part of that conference call.

"He said he was hearing from legislators, lobbyists and union people that the reasons he was having problems with his budget, and he wasn't going to get what he asked for, was because of problems with Donna Leonard," said Grossman, head of White's anti-corruption efforts for just two months.

Grossman quit in protest Friday, saying the firing of Leonard showed White, a first-term Democrat, lacks the commitment to root out corruption in the office.



White

Grossman acknowledged that White never said Leonard's cooperation with federal investigators was responsible for the opposition to her. But he said, "That was just clear from the import of the conversation."

On Monday, White declined to say why he fired Leonard, a long-time aide. But he said before the dismissal, he offered her a newly created job of special counsel, which would focus solely on the federal probe, and she turned it down.

White described the new position as part of a restructuring that was

needed because the federal probe was becoming "too time-consuming" for the counsel, who also had to run the day-to-day operations of the secretary of state's legal department.

Aides to White said Leonard was offered the new job at a salary equal to the \$100,000 she earned as general counsel.

Leonard declined to discuss her firing when contacted Monday.

As replacements for Leonard, White named Michael Igoe to oversee the general counsel's office and Irene Lyons as special counsel to serve as liaison to federal authorities.

White also announced the transfer of Tammy Raynor, a license examiner, into a job she requested as an analyst for the inspector general's office. Raynor helped launch the federal probe in 1995 when she went to federal officials with information about corruption that she said state officials ignored.

Key lawmakers from both parties said Monday they had never heard of any threats made to White regarding his budget.

Gov. Ryan also denied Monday that he had ever pressured White about his budget.

Some of Grossman's allegations have been confirmed by his predecessor, former inspector general Don Strom, who left in February to

head the Washington University police department in St. Louis.

Strom said Monday that White's front office had also promised him he could help decide new hires on his investigative staff, only for the front office to send him people without his input and without background checks. When Strom did his own background checks, he sometimes uncovered problems.

(Indicate page, name of newspaper, city and state.)

STATE JOURNAL REGISTER
SPRINGFIELD, IL

Date:

Edition: 4/11/2000

Title:

Character:

or

194A-SI-50818

Classification:

Submitting Office:

SPRINGFIELD

Indexing:

"Sometimes it was character issues, and sometimes it was issues related to whether they were criminally charged or could be criminally charged," Strom said. "This happened several times."

He declined to elaborate, saying they were confidential personnel issues. But he said that when he brought the problems to White, the new hires were usually fired.

Strom, however, said he had no knowledge of Grossman's major allegation regarding the budget-induced pressure to fire Leonard. But he said he had great respect for Grossman.

"From my knowledge, I can't imagine him making any allegation lightly," Strom said.

Doug Finke and Dean Olsen of the State Capitol Bureau contributed to this report. Joe Mahr can be reached at 782-6882 or joe.mahr@sj-r.com.

194A-SI-50818-53

SEARCHED	INDEXED
SERIALIZED	FILED
APR 18 2000	
FBI - SPRINGFIELD	

SMH

White may rehire legal counsel he fired

Inspector general who quit vows not to go back

By **PAUL KRAWZAK**

COPLEY NEWS SERVICE

CHICAGO —Secretary of State Jesse White and his former chief legal counsel, Donna Leonard, have begun negotiating her possible return to the office.

White fired Leonard a week ago, causing David Grossman, his inspector general, to quit in protest. That prompted federal officials who are investigating employee wrongdoing in the office to look into the departures, since Grossman and Leonard had worked closely with the federal probe.

On Wednesday, White began negotiating for the return of Leonard, who was dismissed after she refused White's order to move to a special counsel position with less authority than general counsel.

White and Leonard spoke Wednesday, and Leonard apologized to White "for misunderstandings of what his offer was," White spokesman David Druker said.

White did not apologize to Leonard, a longtime friend and employee, according to Druker.

Leonard confirmed Thursday that discussions had been opened, at White's request, and added that the only apology exchanged dealt with how the firing had strained their long-term friendship.

"During our conversation, words of apology were spoken, but they were only on a very personal level because a 20-year friendship appeared to have gone sour," Leonard said. "I made no apology for my job performance."

She declined to comment further, citing the expanded federal in-

vestigation into her dismissal.

Druker said it could be several days before White and Leonard finalize any comeback deal, if they do at all.

Grossman, a former FBI agent, had no comment Thursday on Leonard's possible return. He said he has not been approached to return and would not consider it.

"I quit as a matter of principle, and nothing has changed with regard to that," Grossman said.

He contends that White fired Leonard because she was too cooperative with federal investigators, an indication the secretary lacks commitment to ridding the office of corruption.

"As far as I'm concerned, on the

See **WHITE** on page 16



White



Leonard

(Indicate page, name of newspaper, city and state.)

STATE JOURNAL REGISTER
SPRINGFIELD, IL

Date:

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WHITE

From page 15

7th of April, the secretary of state violated his public trust to the people of the state of Illinois when he fired Donna Leonard in an attempt to enhance his efforts at getting his budget (passed)," Grossman said.

When he resigned, Grossman alleged that his efforts to root out corruption collided with the "doling out" of jobs to political supporters.

Republican Gov. George Ryan, who was secretary of state for eight years before White's election in 1998, acknowledged Thursday that politics plays a role in getting a job at the office.

"It's a political office," he said. "Political people are generally hired, and based a lot on qualifications and some on political clout. There's no

question about it."

The governor added that he doesn't know what the patronage or hiring situation is under White, a Democrat, but Ryan expressed sympathy for the criticism White's received for firing Leonard.

"My heart goes out to the guy," Ryan said, adding that White "did what he thought was best . . . I hope he gets to the bottom of whatever his problems are."

Ryan said he doesn't know how to prevent people from taking bribes in the office, "other than to hire . . . good people."

Operation Safe Road, the federal probe of illegal license selling in the secretary of state's office, began during Ryan's administration. More than 30 people have been indicted, including Dean Bauer, who was Ryan's inspector general.

Joe Mahr of the State Capitol Bureau contributed to this report.

(Mount Clipping in Space Below)

(Indicate page, name of newspaper, city and state.)

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ILLINOISREPORT

■ SPRINGFIELD

Ryan contributions 'sort of expected'

Two landlords who leased office space to then-secretary of state George Ryan say they considered contributions to his campaign a cost of doing business with the state, according to a published report.

The landlords are among nine who held no-bid leases through Ryan when he was secretary of state and contributed more than \$70,000 to his campaign between 1994 and 1998, according to an analysis of records conducted by the St. Louis Post-Dispatch.

Salvatore Macaluso, who bought a Swansea building in 1995, said he was advised to contribute money to Ryan's campaign fund by the previous owner of the property.

"The man said, 'Look, it's sort of expected. There's a golf thing, the people in the (driver's license) office have tickets to sell,'" Macaluso said. "He said he bought tickets every year, and I should, too. Rather than tempt the gods, I did it."

But Ryan spokesman Dennis Culloton denied that building leases were linked to campaign contributions.

William Griffith, a Democratic member of the Macoupin County Board, disagrees. He contends his lease contract was canceled because he wasn't a Ryan supporter.

Griffith owned a Carlinville building that housed a driver's license office until 1994, when Ryan's office pulled the lease and granted it to a group of Springfield investors who were Ryan campaign contributors, the Post-Dispatch reported.

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Lack of support costs White a quality inspector general

CHICAGO — The fact that Secretary of State Jesse White allowed himself to lose his single best tool for fighting corruption casts doubt on his claims to be serious about cleaning up his office.

If any one employee was critical to White's success, it was David Grossman, who was inspector general for two months until he quit April 7.

Grossman left in protest after White fired his chief legal officer, Donna Leonard. In Grossman's view, Leonard's dismissal proved White isn't really committed to ending criminal activity in the 4,000-employee state agency.

White lucked out when he hired Grossman, who was supremely qualified to head up the inspector general's office, which investigates internal wrongdoing, misconduct and waste.

During a 21-year career with the FBI, Grossman ran a public corruption unit, worked undercover in the Operation Greylord probe of judges on the take and helped supervise the Chicago FBI office.

Grossman knew how to uncover corruption within government agencies. He knew how to work with and manage people. By virtue of his experience and posi-

Given time, David Grossman had a better chance than anyone of cleaning up an office that has become a source of embarrassment.

tion, he was among the elite of law enforcement officials in the nation.

At age 50, weeks after retiring from the FBI, Grossman was ready for another challenge. Given time, he had a better chance than anyone of cleaning up an office that has become a source of embarrassment. When White was elected secretary of state in 1998, the bribes-for-licenses scandal was just beginning to unfold. It has virtually exploded since then.

At last count, 31 people had been indicted and 25 found guilty in Operation Safe Road, the federal probe of the licensing of unqualified drivers to operate potentially lethal big rigs. Of those convicted, 14 were secretary of state employees.

Federal officials believe hundreds of truckers obtained their licenses illegally in Illinois. Several people have perished in accidents involving suspected bribe-paying license holders. Authorities have warned every state in the union of the threat posed by Illinois truckers.

White didn't cause the problem. He inherited it from Gov. George Ryan, his predecessor in the office. Even so, you would think that White, given all that has occurred, would make cleaning up the office and preventing further misconduct his top priority.

So what did he do? He took a step that he knew would result in Grossman's departure.

When White threatened to move Leonard to another position with less authority, Grossman warned he would quit if White followed through. White fired Leonard anyway, after she refused to accept what she viewed as a demotion.

Leonard had worked closely with Grossman and with federal investigators.

Her dismissal was the last straw for Grossman, who had spent his entire tenure battling with Thomas Benigno, White's chief of staff, in a frustrating attempt to secure the authority, independence and resources he needed to do his job properly.

When former Gov. Jim Edgar was secretary of state, before Ryan, he proved that a qualified inspector general with the backing of the administration could serve as an effective bulwark against corruption.

James Redenbo, Edgar's inspector general, always could count on the full support of Edgar and his top officials, including chief of staff Allen Grosboll, he said. No corruption scandal ever appeared during Edgar's eight years as secretary.

(Indicate page, name of newspaper, city and state.)

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By contrast, Dean Bauer, inspector general when Ryan was secretary, is under indictment for covering up corruption rather than rooting it out. Bauer pleaded innocent to the charges.

Unlike Redenbo, Grossman was forced to take employees he didn't want, compromising his independence from political pressure.

White's office denied Grossman access to personnel records he needed for investigations. He was steered away from performing background checks on White's "inner circle." Grossman requested that

the office's internal auditors report to the inspector general — as they did when Edgar was secretary — and nothing happened.

When Grossman revealed that unqualified applicants were still getting licenses, the officials in charge of licensing never got back to him.

Don Strom, White's inspector general before Grossman, has said he encountered some of the same obstacles before his departure.

Now Grossman, too, is gone, and the responsibility lies directly at White's doorstep.

The secretary is searching for another inspector general, but it's almost certain he will not find anyone as qualified or committed to running a clean ship as Grossman.

Why would anyone of Grossman's caliber take the job after the lack of support shown by White and his top staff?

Paul Krawczak is the political writer for the Chicago bureau of Copley Illinois newspapers. He can be reached at (312) 857-2792 or by e-mail at paul.krawczak@copleypress.com.

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License probe nets Florida instructor

By **EMILY NEAL**

COPLEY NEWS SERVICE

CHICAGO — The federal probe into the sale of driver's licenses expanded Friday to Florida, where a driving instructor was charged with taking bribes to help truckers from Illinois and other states obtain licenses.

Those truckers then traded their Florida commercial driver's licenses for licenses in their home states without further testing, under reciprocity agreements between the states, said U.S. Attorney Scott Lassar.

Marek Winniczek, 49, of Tampa, Fla., was arrested on extortion-related charges, making him the 31st person fingered in connection with the Operation Safe Road investigation into the sale of licenses while Gov. George Ryan was secretary of state.

Winniczek could be the government's biggest catch so far in the 20-month investigation, Lassar said.

Not only is he accused of taking payoffs from drivers from Illinois, New York, Washington, Alabama and Tennessee, he also was taking as much as \$1,500 to fix driving tests, Lassar said. Although prosecutors would not speculate how many applicants Winniczek might have helped, they said he administered about 30 tests a month from 1997 until this week.

"There's certainly the possibility that there are a lot of drivers out there that don't know how to drive these big rigs," Lassar said during a news conference.

"They didn't have to know how to drive them to get these licenses in Florida, and they didn't know in some of the other cases where people were bribed in Illinois," he said. "So, it's a frightening situation."

According to the federal indictment, 90 people, most of whom were of Eastern European descent and had little or no ability to communicate in English, obtained Florida licenses from Winniczek and traded those for Illinois licenses, Lassar said. While a trucker can drive in Illinois with a license from another state, most trucking companies require drivers to be licensed in the state of their residence.

Winniczek did not work for the Florida government, but operated a certified testing school. Prosecutors say he demanded cash payments between \$900 and \$1,500 in return for assisting applicants by translating oral tests for people with limited English skills — an illegal practice in Illinois.

He would indicate the correct answers to the tests and failed to give the required skills tests, authorities allege.

Prosecutors arrested Winniczek after an individual cooperating with the investigation made a payment this week to obtain a license in Florida.

Winniczek was charged by the FBI in a criminal complaint Wednesday, but the complaint was initially sealed.

He was arrested Thursday in Tampa and freed on \$75,000 bond. Further court proceedings will take place in Chicago.

Federal transportation officials will be working to distribute to other states the names of people who might have obtained fraudulent licenses in Florida, said Dieter Harper, an agent at the U.S. Department of Transportation's inspector general's office.

Officials will notify drivers connected to the Florida scheme that they are no longer qualified to drive in interstate commerce, but it is up to the state that licensed them to determine whether their licenses should be voided, Harper said.

The government also is forming a special panel to determine how many unqualified truckers might be driving on U.S. roads after receiving fraudulent licenses, he said.

The Illinois secretary of state's office ended its policy allowing drivers to trade licenses from another state for Illinois licenses without additional testing after federal prosecutors notified officials here of their suspicions about Winniczek, Lassar said.

Since May 1999, all applicants for commercial driver's licenses must pass a knowledge and skills test regardless of whether they were previously issued a license by another state.



Stephen Carrera/AP

Dieter Harper, an agent of the U.S. Department of Transportation's inspector general's office, discusses Operation Safe Road while U.S. Attorney Scott Lassar looks on.

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FEDERAL BUREAU OF INVESTIGATION

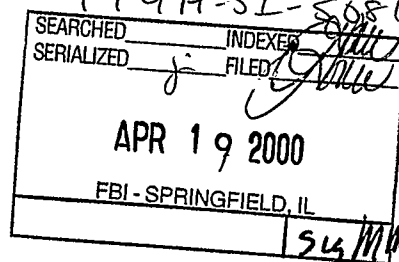
Date of transcription 04/18/2000

Source, who is in a position to testify, advised the Agent that he/she heard that SCOTT FAWELL held a focus group meeting in Chicago, Illinois, with many of the minority groups such as the Hispanics, Greeks, and blacks. Source heard that GEORGE RYAN had put FAWELL up to it, and that the purpose was to push the point of bipartisan politics. Source was attempting to obtain additional information regarding this.

Source also advised that the Agent should look into the raises which RYAN gave his personal staff. Source advised that raises for RYAN's personal staff do not have to go through the Senate, and source speculated that a lot of the money given in raises could be construed as "hush money." This included raises to

b6
b7c

Source was asked if he/she was familiar with an individual named [redacted] Source stated he/she heard [redacted] as being involved in fund-raising and this fund-raising would be done during work hours. Source was asked if he/she was familiar with the activities which were occurring in Room 477 and Room 474 of the Howlett Building. Source advised that Room 477 concerns the Legislative Section, and believed Room 474 had to do with Programs and Communications.

Investigation on 04/13/2000 at Springfield, IllinoisFile # [redacted] 3 / 194A-SI-50818-58 Date dictated 04/13/2000by SA [redacted] /mckb6
b7C
b7D

Ryan aides, state police investigated

Prosecutors question '98 campaign probe

By JAMES WEBB

THE ASSOCIATED PRESS

CHICAGO — Federal prosecutors have opened a new avenue in their 2-year-old investigation of corruption in the secretary of state's office, looking at whether aides to George Ryan influenced an Illinois State Police probe into his successful 1998 campaign for governor.

The new federal inquiries have at least one common link to the Operation Safe Road investigation that began with bribery for commercial drivers' licenses: the involvement of Ryan's much-criticized inspector general's office.

At least five current and former members of the state police internal investigation division, which conducted the 1998 probe, have been subpoenaed to testify before a federal grand jury in Chicago in recent weeks, according to sources familiar with the investigation who spoke only on condition of anonymity.

Federal prosecutors also have subpoenaed the state police case file on the investigation, sources said, and have obtained a letter from special prosecutors in the case that criticized the involvement of the secretary of state's inspector general's office.

"They're looking for interference," said a source familiar with the investigation.

Dean Bauer, Ryan's inspector general at that time, was indicted in February on charges that he had covered up corruption involving license selling and other wrongdoing in the secretary

of state's office to save Ryan from embarrassment. Bauer has pleaded innocent.

be in the early stages of examining how the campaign investigation played out.

State police officials contacted for this story declined to comment and referred questions to an agency spokesman, who declined to comment. Randy Samborn, a spokesman for the U.S. attorney's office in Chicago, likewise declined to comment.

Dennis Culloton, a spokesman for Ryan, had no immediate comment.

But recent interviews with sources familiar with the investigation offer new details of how Ryan's office reacted to the potentially damaging allegations and outline how top state police officials put a strict time frame on the politically sensitive case.

Ryan called for an investigation of the allegations when they surfaced, and when state police opened their case, they found the secretary of state inspector general's office already involved.

While it is not uncommon for the inspector general to work jointly with other investigative agencies, state police investigators and the special prosecutors questioned a broad agreement between Ryan's office and state police that allowed inspector general's officials to sit in on state police interviews.

State police investigators "felt their investigation was being compro-

mised, and I think that was an accurate feeling," said Allan Lolie Jr., one of the special prosecutors from the state's attorney's appellate prosecutor office.

In a Sept. 29, 1998, letter to Gene Marlin, then acting director of the state police in Republican Gov. Jim Edgar's administration, Lolie complained that the arrangement included giving the inspector general's office advance notice of state police interviews.

"The reliability of this entire investigation may become suspect based on the sharing of information with SOS personnel," said the letter, which is now in the hands of federal agents. Lolie gave a copy of the letter to The Associated Press.

(Indicate page, name of newspaper, city and state.)

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The inspector general's involvement posed a potential problem because it could have suggested to employees being questioned that their statements would be relayed to their superiors in the secretary of state's office. And it also provided an avenue for alerting potential wrongdoers where the state police investigation was going.

The key contact in the inspector general's office during the state police investigation was Ernest Neumann, a retired state police official brought into the office just a few months earlier by Jeremy Margolis, Ryan's point

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man on the federal scandal, Margolis, a former state police director, was once Neumann's boss.

Margolis was first hired by Ryan to do an independent review of the license scandal in April 1998, but ultimately became a legal representative, personnel recruiter and public relations strategist.

Ryan's office and Margolis have said his current role is ensuring that all state agencies under the governor's control cooperate with the federal investigation.

Neumann said he was hired under a \$20,000, six-month contract in July 1998 because Ryan's office anticipated the campaign would prompt an increase in complaints filed by Democratic loyalists in the secretary of state's office.

In an interview, Neumann said the cooperation agreement was aimed at limiting the probe to the fax issue so the matter could be settled before the election.

"In our discussions we were anticipating what if this led to so and so, and so and so ... we could end up in a two-year investigation," Neumann said.

Neumann said he had limited contact with Bauer and instead reported to Diane Ford, Ryan's legal counsel in the secretary of state's office who is now in the governor's office.

Neumann strenuously denied that the inspector general involvement compromised the investigation, saying he knew many of the state police investigators on the case from his years at the agency.

"I sure wasn't going to do anything to hinder" the investigation, he said.

Neumann's job with the inspector general ended when Ryan left the secretary of state's office. But late last year Neumann was appointed interim inspector general in Ryan's Department of Human Services, where he is making the equivalent of \$82,000 a year.

Questions were also raised about the speed of the investigation. In an October 1998 interview with The Associated Press, Marlin acknowledged that he expected his department to finish the investigation in two working weeks.

State police detectives were in fact told to complete their work in 10 days, although the investigation con-

tinued after police turned their report over to prosecutors.

Norbert Goetten, director of the appellate prosecutor's office, said his prosecutors and state police detectives were pursuing other avenues in the investigation after receiving the 1,000-page police case file on Sept. 24.

But Goetten said he received two calls from state police officials — including one from Marlin the day prosecutors received the lengthy report — suggesting his office decide whether to pursue charges within a week.

Prosecutors cleared the Ryan campaign of wrongdoing about a week later.

But an offshoot of the case continued until January 1999, when prosecutors suggested that four low-level secretary of state workers be disciplined for allegedly taking part in a scheme to perform political work on a 1996 legislative campaign in exchange for time off state jobs.

Marlin, a commander with the District of Columbia police, was dealing with street protests in Washington on Monday and did not immediately return a telephone call for comment.

FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 04/18/2000

To: Springfield

From: Springfield

Squad 4

Contact: SA [REDACTED]

Approved By: [REDACTED]

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b7C

Drafted By: [REDACTED]

Case ID #: 194A-SI-50818

Title: GEORGE RYAN;
ET AL
HOBBS ACT - CSLPO

Synopsis: Coordination with Chicago Division.

Details: On April 7, 2000, a meeting and conference call was conducted in the office of Assistant United States Attorney (AUSA) [REDACTED]

[REDACTED] Present at this meeting were Special Agent (SA) [REDACTED] Supervisory Special Agent (SSA) [REDACTED]

[REDACTED] SA [REDACTED] with the Internal Revenue Service, Postal Inspector [REDACTED] and AUSAs [REDACTED] and [REDACTED]

[REDACTED] The conference call was conducted with AUSA [REDACTED] and other investigators of the FBI from the Chicago Division.

Through discussions it was agreed upon that the Springfield Division would pursue any tax violations against George Ryan for prosecutive potential. It was also agreed that the Chicago office would pursue a prosecutable case regarding problems with the various leases with the Secretary of State's office, the investigation into potential obstruction and perjury charges regarding the Illinois State Police investigation, and any potential criminal violations regarding campaign fund raising. The Springfield office would also be able to pursue a prosecutable case regarding the misfiling of travel vouchers by Secretary of State personnel.

It was acknowledged that several areas of interest that the Chicago Division is going to prosecute, has many areas in the Springfield Division which the Springfield investigators would have to coordinate their investigation with Chicago investigators.

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To: Springfield From: Springfield
Re: 194A-SI-50818, 04/18/2000

On 4/10/2000 SA [] met with AUSA [] and SA [] of the Chicago Division. The meeting occurred in Springfield and present also was Postal Inspector []. Additional details were discussed as to the coordination of the overall investigation.

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b7C

On 4/11/2000 AUSA [] SA [] and SA [] conducted four interviews at the Illinois State Armory. Interviewed were []. Also discussed this day was the logistics for []. It was agreed a

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On 4/12/2000 SA [] met with [] regarding the logistics of []. SA [] was required to review documentation relative to []. These will be attached. SA [] also learned that []. SA [] then began the process of [].

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♦♦

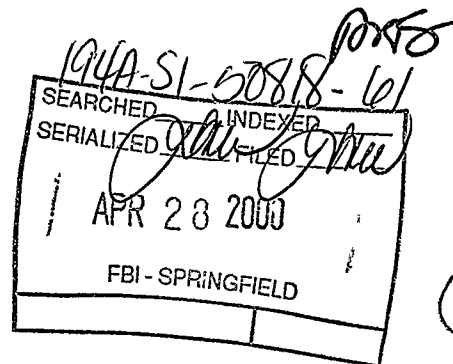
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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 04/21/2000

[redacted] date of birth [redacted]
[redacted] sent copies of
the following documents to the [redacted] Resident Agency [redacted] of the
Federal Bureau of Investigation (FBI):

[redacted]

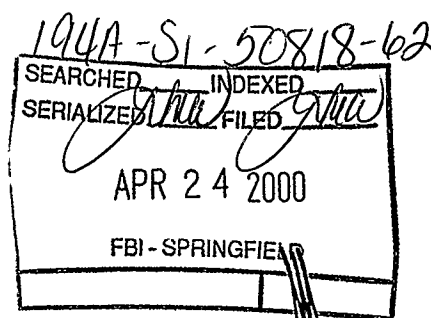
b6
b7C
b7DInvestigation on 04/19/00 at [redacted] Illinois (via facsimile)File # 194A-SI-50818Date dictated 04/21/00by [redacted]b6
b7C

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 04/21/2000

On April 19, 2000, SA [] met with []
[] provided
to the agent []
[] was provided a receipt for this []
[] that were provided to the FBI on a previous
occassion. The receipt will be placed in a 1a envelope.

b3
b6
b7cInvestigation on 04/19/00 at Springfield, IllinoisFile # 194A-SI-50818 Date dictated 04/21/00by [] b6
b7c

KAA11201.302

Ex-chief helps state police handle probe

Former Illinois State Police director Jeremy Margolis once again is playing a key role in a controversy surrounding Gov. George Ryan — this time helping state police deal with questions about their handling of a Ryan probe.

In the past month, federal prosecutors have started to examine how state police handled an investigation into whether Ryan's aides had performed political duties on state time. State police administrators reportedly closed the case, even though two of their investigators alleged that Ryan's aides erased potential evidence from computers.

State police director Sam Nolen hired Margolis' law firm, Altheimer and Gray, via a no-bid contract last month. The \$19,750 deal is just below the \$20,000 threshold at which state agencies must get competitive bids.

About that time, federal investiga-

State police director Sam Nolen hired Jeremy Margolis' law firm last month via a no-bid contract for \$19,750, just below the \$20,000 threshold for requiring competitive bids.

tors tried to question state police agents about their campaign probe. But Margolis quickly intervened, delaying the questioning.

"He heard about the interviews being conducted," Nolen said Thursday. "He wanted to ensure that things were done in a controlled, organized way."

Several state police agents ultimately were subpoenaed to testify before a federal grand jury in Chicago, and federal prosecutors have subpoe-

naed the state police file on the campaign probe.

Two years ago, Ryan — then secretary of state — hired Margolis to look into allegations that the secretary of state's inspector general had blown an investigation of allegations that Ryan employees were selling driver's licenses for bribes. Margolis ultimately reported that he found nothing wrong with the internal investigation.

Federal prosecutors, however, have continued to indict employees at that facility and others, and last fall, they charged the former inspector general, Dean Bauer, with covering up the scandal.

Prosecutors have tallied at least \$170,000 in bribe money that ended up in Ryan's campaign fund, although Ryan has not been directly implicated in the 2-year-old investigation.

Margolis said Thursday he had merely looked at case files generated by several other agencies, including the FBI, to conclude that procedures had been followed.

"For anybody to suggest that I said there was no corruption in the secretary of state's office, it's just untrue," he said Thursday.

But he won't talk much about the details of his latest venture into the scandal, and neither will state police. They say they don't want to jeopardize the ongoing federal investigation.

Nolen was one of Margolis' top deputies when Margolis ran the state police under Gov. Jim Thompson. Ryan hired Margolis for his campaign in 1998, and after the election, Margolis recommended Nolen to run the state police.

State police said they have hired another Chicago lawyer, Joe Duffy, to act as the agency's attorney. Duffy, a former IRS agent and federal prosecutor, also is contracted to receive \$19,750 over three months.

(Indicate page, name of newspaper, city and state.)

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Orig

State Police are cooperating in federal investigation into Ryan campaign

THE ASSOCIATED PRESS

CHICAGO — The head of the Illinois State Police acknowledged Thursday that his agency is cooperating with federal authorities investigating the handling of a 1998 State Police inquiry into Gov. George Ryan's campaign.

"My instructions to my people are that we comply 100 percent with any subpoena and, when we're questioned, we tell 100 percent of the truth every time," State Police Director Sam Nolen said.

Additional comments by Nolen also raised new questions about the role of Ryan confidant Jeremy Margolis, the governor's point man in the two-year corruption investigation that began by looking into charges of bribery involving truck drivers licenses.

The Associated Press reported Monday that the federal investigation had widened to examine whether Ryan aides influenced the 1998 State Police inquiry into allegations that Ryan workers were improperly campaigning for him on state time.

Nolen, speaking after an unrelated news conference at the agency's crime laboratory, confirmed that the investigative file on that case has been subpoenaed by the U.S. attorney's office in Chicago.

He also confirmed that Margolis

intervened recently when federal authorities were questioning State Police investigators about the case, temporarily stopping the interview.

"He heard about the interviews being conducted," Nolen said. "He wanted to ensure that things were done in a controlled, organized way."

"He went out and intervened," invoking a legal maneuver that required questioning to be temporarily stopped, Nolen said. The intervention amounted to a minor delay in the investigation, he said.

Nolen acknowledged that while Margolis is coordinating the Ryan administration's response to the federal investigation, another lawyer is actually representing the State Police.

Pressed to answer more questions about Margolis' role, including whether he is now party to any federal interviews with State Police, Nolen agreed to return with more details. However, he failed to return and later issued a one-paragraph statement declining to answer further questions.

The other attorney hired by State police, Joseph Duffy, is a Chicago criminal defense lawyer with a long resume, including stints with the U.S. attorney's office and the Internal Revenue Service. Duffy did not immediately return telephone calls for comment.

According to records at the state comptroller's office, both Duffy and Margolis have nearly identical three-month contracts with the State Police worth \$19,975 each.

As the license scandal has deepened, Margolis has become a legal representative, high-level personnel recruiter and public-relations strategist for the governor, sometimes paid by taxpayers and sometimes by Ryan's campaign fund. His Chicago law firm has reaped more than \$500,000 in no-bid legal contracts awarded by the Ryan administration, mostly for matters unrelated to the license scandal.

*Nolen served as a deputy to Margolis when he was the State Police

(Indicate page, name of newspaper, city and state)

ST LOUIS POST-DISPATCH

ST LOUIS, MISSOURI

Date:

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director, and Margolis recommended him for the top police job last year.

Margolis declined to answer most questions about his role, including what happened with the State Police interview.

He dismissed questions about whether he represented a potential conflict of interest because of his long and varied involvement with the corruption investigation.

"I understand the rules, and the last thing that Jeremy Margolis is going to do or that my law firm is going to do is something wrong," Margolis said.

Ryan declined to comment on Margolis' role.



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White hires new inspector general

By **EMILY NEAL**

COPLEY NEWS SERVICE

CHICAGO — Facing criticism that he isn't committed to rooting out corruption, Secretary of State Jesse White Thursday named former U.S. Attorney Jim Burns to lead internal investigations into wrongdoing by employees.

White also announced that he had hired his recently fired chief legal counsel, Donna Leonard, for a position in which she will work with federal investigators who are probing the



Jim Burns

George Ryan's approval rating slips, while Jesse White's stays steady / page 4

illegal sale of licenses to truck drivers.

The appointment of Burns as inspector general comes two weeks after David Grossman resigned from the post. Grossman, a former FBI agent, quit in protest after Leonard

See **BURNS** on page 4

was fired, saying the move showed White was not serious about eliminating corruption.

The FBI also announced at the time it would launch an investigation into Leonard's dismissal.

Burns will have autonomy in conducting all internal investigations and will report directly to White, the secretary said.

"He will be given all the tools that are necessary to run this office in a manner in which we will be proud," White said.

Burns left his job as a private attorney to become inspector general at a salary of \$121,500 a year, just less than White's salary of \$125,000.

He said he had talked to White about allegations that have been circling the office in the past few weeks and believes the two are on "exactly the same page."

"I wouldn't be here today if I had concerns to the level that I thought I couldn't do the job I need to do," Burns said.

Burns will work with federal authorities in their probe of driver's license selling when Gov. George Ryan was secretary of state. U.S. Attorney Scott Lassar's office has obtained the indictments of 31 people so far in the Operation Safe Road investigation, including Dean Bauer, Ryan's inspector general.

"We congratulate Secretary White on announcing these appointments, and we look forward to working with Jim Burns and Donna Leonard," said Lassar's spokesman, Randall Samborn.

Burns and Lassar have known each other 25 years, beginning when Burns recruited Lassar to join the U.S. attorney's office directly out of law school. The two were partners in a law firm, and Burns later named Lassar his first assistant when he was appointed U.S. attorney in 1993.

Grossman complained that during his two months as inspector general, White's chief of staff, Thomas Benigno, was running the office, not White.

He said he had met continued resistance in his efforts to select his own staff, review personnel records and conduct background checks on high-ranking officials.

Burns "will not have to communicate in any shape, form or fashion" with Benigno, White said. He will have the authority to select his own staff, review current members of the staff, access personnel records and reorganize the office.

(Indicate page, name of newspaper, city and state.)

STATE JOURNAL REGISTER
SPRINGFIELD, IL

Date:

Edition:

4/21/2000

Title:

Character:

or

194A-SI-50818

Classification:

Submitting Office:

SPRINGFIELD

Indexing:

Burns made an unsuccessful bid for the Democratic nomination for governor in 1998, but he said politics will not interfere with his work in the new position.

"I have absolutely zero political agenda," he said.

Leonard returned to the secretary of state's office at her previous salary of about \$100,000, in the job of executive counsel of internal affairs. White said the two talked over the weekend and worked out their differences.

White has denied reports that Leonard was fired after she refused to take the job she now holds because she considered it a demotion.

Leonard was fired over a "personnel" matter, White said, declining to discuss the specifics.

Grossman said Burns is a "wonderful choice" for the position. But the move did not restore his faith in White, who he says violated the public trust when he fired Leonard.

"We'll have to see if he lets Mr. Burns do his job," Grossman said.

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STATE JOURNAL REGISTER
SPRINGFIELD, IL

Date: **4/23/2000**
Edition:

Title:

Character:
or **194A-SI-50818**
Classification:
Submitting Office:
SPRINGFIELD

Indexing:

Details of Margolis contract fuzzy

By **JOE MAHR**

STATE CAPITOL BUREAU

A side mystery has developed in the two-year-old saga surrounding the federal probe of alleged wrongdoing by Gov. George Ryan's aides: What exactly is Ryan confidante Jeremy Margolis doing for the Illinois State Police?

Last month, the agency gave a no-bid contract to Margolis, a former state police director. Yet state police officials say he really doesn't work for them. The contract also says Margolis will do investigative work for the state police. But the agency won't say whether he's done any, or why he would be granted such power.

State police became a target of the corruption investigation this spring because of questions surrounding the agency's 1998 handling of charges that political work was being done on state time by Ryan employees. Federal prosecutors wondered why state police closed the case despite complaints from two investigators who suspected Ryan aides of tampering with computer evidence.

Enter Margolis. The Chicago lawyer ran the state police in the late 1980s and was a political adviser to Ryan during his 1998 run for governor. In March, state police gave Margolis' law firm an emergency, no-bid contract for "expert consultation and advice."

Margolis then employed a legal maneuver to delay federal prosecutors' attempts to question state police investigators about the 1998 probe. Several investigators were eventually subpoenaed to testify in front of a federal grand jury in Chicago.

But state police officials now insist that Margolis isn't their attorney. They say Chicago attorney Joseph Duffy is actually representing state police regarding the federal probe.

Rather, both Margolis and current state police director Sam Nolen say that Margolis is simply a liaison for the governor's office, assigned to make sure every state agency cooperates with federal prosecutors.

"The Ryan administration is providing its full cooperation to the ongoing federal Operation Safe Road investigation," state police Capt. David Sanders said in a prepared statement Friday. "Jeremy Margolis is the primary contact and lawyer responsible for coordinating that cooperation for every agency that answers to the governor."

Sanders, the spokesman for state police, said Margolis bills the agency only for "matters pertaining to the Illinois State Police." Sanders said he wasn't sure who got billed for other matters.

The Department of Central Management Services declined to say Friday whether such an arrangement violates the state procurement code. CMS spokeswoman Judy Pardonnet referred questions back to state police.

Margolis' state police contract does mention fostering "interagency coordination and cooperation." But that contract language is nearly the same as Duffy's, which requires him to help with "interagency coordination."

Both contracts give the lawyers the exact same duty of advising "on legal and procedural issues" and offer the same pay: \$19,975. That is \$25 shy of the amount above which state agencies must solicit competitive bids.

Sanders declined to say why Margolis' contract included the duty of offering legal advice if he wasn't the state police's attorney. Sanders said he couldn't comment further because the agency didn't want to jeopardize the federal investigation.

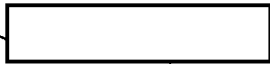
"The bottom line is that the information that we're releasing is all that we're able to provide in light of the ongoing federal investigation," Sanders told a reporter Friday.

The contracts do have one big difference, however, and that is further clouding the issue on Margolis' role with state police. Unlike Duffy's contract, Margolis' pact says that he is supposed to offer "investigative assistance" to state police.

194A-SI-50818-66

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Sanders declined to say why Margolis was given such a duty. He referred questions to Margolis, who on Thursday declined to discuss details of his work for state police.

If Margolis does offer investigative assistance, it will be the second time he has done so for the Ryan administration. The first time was in 1998, when then-Secretary of State Ryan faced allegations that his inspector general had blown an investigation into employees selling truck licenses for bribes at one facility.

Ryan, in the midst of his campaign for governor, called a news conference and announced he had hired Margolis to look into the allegations and "put any questions to rest once and for all." Margolis soon reported that he found nothing wrong with the internal investigation, and later became a political adviser to Ryan through his campaign for governor.

Federal prosecutors, however, continued to indict Ryan's ex-employees. And last fall, they indicted his former inspector general, Dean Bauer, for allegedly covering up the scandal to save Ryan from political embarrassment.

Prosecutors have tallied at least \$170,000 in bribe money that ended up in Ryan's campaign fund.

Margolis has since downplayed his 1998 investigation. He repeated this week that he solely looked at case files generated by several other agencies, including the FBI, to conclude that procedures had been followed, and they had.

His report has not been made public, because Ryan paid him out of campaign funds.

After Ryan's election, Margolis recommended Nolen for the top state police job. Nolen was one of Margolis' top deputies in the '80s. Nolen has since defended Margolis as a man of utmost integrity.

Margolis' firm last year was given a \$180,000 contract to handle the state police's successful defense in a lawsuit alleging troopers pulled over motorists based on their ethnicity.

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 04/05/2000

Source, who is not in a position to testify, provided the following information:

Source advised he/she works out of Illinois Secretary of State (SOS) [redacted] Source stated [redacted] it was common knowledge that certain employees were required to donate 1% of their salaries to campaign fund-raising. Source stated that the job held by individuals was also based on their ability to raise campaign funds and/or time spent assisting in fund-raising activities. As an example, source stated that [redacted] who was currently [redacted] [redacted] was formerly [redacted] [redacted] was considered a very good fund-raiser. Another good fund-raiser was [redacted] who is [redacted] [redacted] was also involved in political campaigning, but did not reap the benefits the way he should have. [redacted] was overheard having said he [redacted] was promised the world, but had not been given anything.

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Source explained that most of the SOS employees who were utilized for political dealings and campaign fund-raising were in the Springfield area. These individuals would be assigned all over the state to handle campaign matters. Source stated that the employees were given specific dates on which they were required to go out and knock on doors, and/or take part in fund-raising activities. The employees would have to spend their own money on travel and expenses. These employees were then given time off during the regular work week to compensate for time they worked on the weekends. Source stated that to his/her knowledge, these times were never recorded.

Source stated that both [redacted] and [redacted] had information regarding this.

Source explained that there are three types of employees with the SOS, Exempt employees, Merit-Comp employees, and employees who fall under Collective Bargaining. Source stated that

Investigation on 03/13/2000 at [redacted] Illinois

File # [redacted] 194A-SI-50818 - 67 Date dictated 03/14/2000

by SA [redacted] /mck

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- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 05/02/2000

On April 24, 2000, SA [redacted] provided to SA
[redacted] of the Chicago Division [redacted]
[redacted] It had been entered into evidence as 1B6.
The appropriate chain of custody form was executed.

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194A-SI-50818-68

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Investigation on 04/27/00 at Springfield, IllinoisFile # 194A-SI-50818Date dictated 05/02/00by [redacted] b6
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During the months of February and March, 2000, SA [redacted] was working closely with the General Counsel for the Secretary of State. As a result of an ongoing investigation, SA [redacted] had requested information on the policy and rules and regulations for the retention of records by state employees.

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On March 23, 2000, [redacted]
[redacted] Secretary of State, provided the agent with the attached documents regarding record retention.

194A-SI-50818-70

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OFFICE OF THE SECRETARY OF STATE

JESSE WHITE • Secretary of State

Memorandum

To: Special Agent
Federal Bureau of Investigation

From: *NM*

Date: March 23, 2000

Re: Record Retention Policies

Pursuant to your request, enclosed are the specific record retention schedules for records of the Illinois Secretary of State's Physical Services Department. These represent all of the documents of this type on file with the Illinois State Archives (which works with the State Records Commission on record retention issues). Yesterday I provided you with a copy of the State Records Act. 5 ILCS 10/1, *et seq.* The Act requires, in part, that state agencies identify records that no longer need to be retained for administrative, legal or fiscal purposes, apply to the State Records Commission for permission to destroy those records, and in the application submit "lists or schedules proposing the length of time each record series warrants retention for administrative, legal or fiscal purposes after it has been received by the agency." 5 ILCS 10/18. The enclosed applications for authority to dispose of state records are the documents developed by the Physical Services Department pursuant to this statutory mandate.

Each document contains an application number, the date the Records Commission approved the application, a description of the records involved, and a recommended retention period. For example, application number 78-2 concerns leases and related documents and correspondence (originals)(expired), and janitorial service contracts and related correspondence (originals). This application was approved on February 15, 1978. With regard to the retention of the lease documents, it states "retain four (4) fiscal years in the office, then transfer to the State Records Center for an additional six (6) fiscal years retention - - - then dispose of providing all audits have been completed under supervision of the Auditor General, if necessary, and no litigation is pending or anticipated."

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After the application and retention schedules are approved, agencies are required to submit a record disposal certificate to the Commission each time the agency wants to destroy a particular batch of records. State Archives staff determines whether the records described in the certificate may be destroyed under the applicable records retention schedule. If the Commission agrees that the records may be disposed of, it will approve the disposal certificate. At that time the agency may destroy the approved records.

I hope this information has been of some assistance to you. Please feel free to contact me if you have any questions or comments.

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Three boxes, one of which is to be delivered to the State Records Commission
STATE OF ILLINOIS
STATE RECORDS COMMISSION

RM/M RM-7

APPLICATION FOR AUTHORITY TO
DISPOSE OF STATE RECORDS

APPLICATION NO. 78-2
PAGE 1 OF 3 PAGES.

AGENCY

Secretary of State

DIVISION

Department of Physical Services

SUBDIVISION

Administrative Office

I HEREBY CERTIFY THAT THE RECORDS DESCRIBED IN THIS APPLICATION ARE NOT
NEEDED IN THE TRANSACTION OF CURRENT BUSINESS AND ARE NOT OF SUFFICIENT
ADMINISTRATIVE, LEGAL, OR FISCAL VALUE TO WARRANT FURTHER PRESERVATION.

Alan J. Dixon
Eugene J. Callahan
HEAD OF AGENCY

DATE

SUBMIT ORIGINAL AND TWO COPIES TO STATE RECORDS
COMMISSION WITH SAMPLES OF EACH ITEM LISTED.

RECOMMENDATION:

Alan J. Dixon 2/15/78
ARCHIVIST *ERC* DATE

STATE RECORDS COMMISSION APPROVAL:

John Daly
CHAIRMAN
William K. Alderson
SECRETARY

FEB 15 1978

DATE

DESCRIPTION OF ITEMS OR RECORD SERIES

ITEM
NO.

GIVE TITLE, EARLIEST DATE, FILE ARRANGEMENT, VOLUME, ANNUAL ACCUMULATION, FORM NUMBERS, LEGAL
REQUIREMENTS AFFECTING RETENTION, AND RECOMMENDED RETENTION PERIOD. IF MICROFILMED, THE HEAD OF
THE AGENCY SHALL ATTACH A STATEMENT CERTIFYING THAT MICROFILM COPIES, MADE IN ACCORDANCE WITH
THE STANDARDS OF THE STATE RECORDS COMMISSION, WILL BE ADEQUATE SUBSTITUTES FOR THE ORIGINAL
RECORDS.

ACTION TAKEN

Leases and Related Documents and Correspondence (Originals)(Expired)

Dates: 1960 -
Volume: 18 cubic feet
Annual Accumulation: 1-1/2 cubic feet
Arranged: Chronologically, then alphabetically

This series consists of the Department of Physical Services' record
copies of leases entered into by the Secretary of State's Office for the use
of privately owned buildings as official office facilities (Driver's License
Exam Stations, etc.). The terms of the leases are generally made for
two (2) year periods, with options to renew after expiration. The series
also includes all correspondence pertinent to the execution of a lease and
any other documents pertaining to the terms of a lease and use of the
facilities thereunder.

Duplicates of these leases are transmitted to the State Comptroller's
Office and additional duplicates are retained by the General Accounting
Division of the Secretary of State's Office.

APPLICATION FOR AUTHORITY TO DISPOSE OF STATE RECORDS

(CONTINUATION SHEET)

 APPLICATION NO. 78-2
 PAGE 2 OF 3 PAGES.

EM O.	DESCRIPTION OF ITEMS OR RECORD SERIES	ACTION TAKEN
	<p>Recommendation: Retain four (4) fiscal years in the office, then transfer to the State Records Center for an additional six (6) fiscal years retention---then dispose of providing all audits have been completed under supervision of the Auditor General, if necessary, and no litigation is pending or anticipated.</p> <p>Janitorial Service Contracts and Related Correspondence (Originals)</p> <p>Dates: 1950 - Volume: 15 cubic feet Annual Accumulation: 1 cubic foot Arranged: Chronologically, then alphabetically by location of facility</p> <p>These records consist of the Agency's record copies of Janitorial Service Contracts which are negotiated and renewed annually to provide for routine maintenance services for leased facilities used by the Secretary of State's Office. Duplicates are transmitted to the State Comptroller's Office, and additional duplicates are retained by the General Accounting Division of the Secretary of State's Office and the contracting party. Any correspondence related to these contracts is included in this record series.</p> <p>Recommendation: Retain two (2) fiscal years in the office, then transfer to the State Records Center for an additional eight(8) fiscal years retention---then dispose of providing all audits have been completed under supervision of the Auditor General, if necessary, and no litigation is pending or anticipated.</p>	<p>Disposition Approved</p> <p>Disposition Approved as amended</p> <p>FEB 15 1978</p>

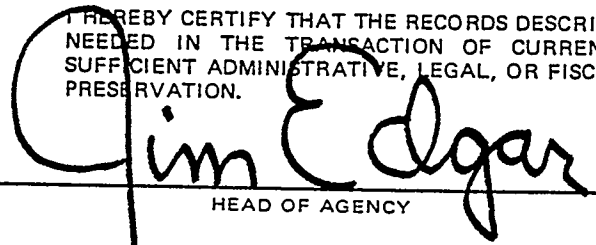
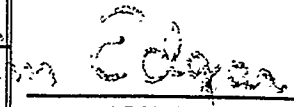
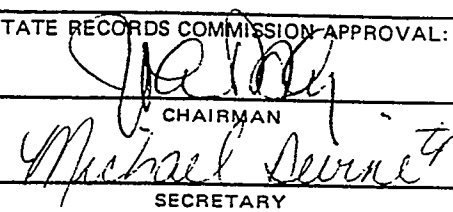
JIM EDGAR
Secretary of State
and
State Archivist

STATE OF ILLINOIS
STATE RECORDS COMMISSION

APPLICATION FOR AUTHORITY TO
DISPOSE OF STATE RECORDS

APPLICATION NO. 88-40
PAGE 1 OF 3 PAGES.

RM M RM-7.1

AGENCY Office of the Secretary of State	RECOMMENDATION:
DIVISION Physical Services	
SUBDIVISION Plans Unit	
I HEREBY CERTIFY THAT THE RECORDS DESCRIBED IN THIS APPLICATION ARE NOT NEEDED IN THE TRANSACTION OF CURRENT BUSINESS AND ARE NOT OF SUFFICIENT ADMINISTRATIVE, LEGAL, OR FISCAL VALUE TO WARRANT FURTHER PRESERVATION.  HEAD OF AGENCY DATE	 5/18/88 ARCHIVIST DATE STATE RECORDS COMMISSION APPROVAL:  CHAIRMAN SECRETARY MAY 18 1988 DATE
SUBMIT ORIGINAL AND TWO COPIES TO STATE RECORDS COMMISSION WITH SAMPLES OF EACH ITEM LISTED.	

ITEM NO.	DESCRIPTION OF ITEMS OR RECORD SERIES GIVE TITLE, EARLIEST DATE, FILE ARRANGEMENT, VOLUME, ANNUAL ACCUMULATION, FORM NUMBERS, LEGAL REQUIREMENTS AFFECTING RETENTION, AND RECOMMENDED RETENTION PERIOD. IF MICROFILMED, THE HEAD OF THE AGENCY SHALL ATTACH A STATEMENT CERTIFYING THAT MICROFILM COPIES, MADE IN ACCORDANCE WITH THE STANDARDS OF THE STATE RECORDS COMMISSION, WILL BE ADEQUATE SUBSTITUTES FOR THE ORIGINAL RECORDS.	ACTION TAKEN
1.	<p>Capitol Mechanical and Electrical Survey (Originals)</p> <p>Dates: (January 1966) Volume: Negligible Annual Accumulation: N/A Arrangement: --</p> <p>This record series consists of an 81-page mechanical and electrical survey done in regard to Secretary of State Renovation Project #6431, which involved mechanical and electrical repairs and renovations to the State Capitol Building.</p> <p>This survey contains explanatory mechanical and electrical drawings and statistics, as well as a synopsis of the work to be done.</p> <p>Recommendation: Transfer to the State Archives for permanent retention.</p>	<p>Disposition Approved</p>
2.	<p>Capitol Renovation Photo File (Originals)</p> <p>Dates: (1963-1971) Volume: Negligible Annual Accumulation: N/A Arrangement: By project number and letter</p>	

APPLICATION FOR AUTHORITY TO DISPOSE OF STATE RECORDS

APPLICATION NO. 88-40

RM M RM-7a

(CONTINUATION SHEET)

PAGE 2 OF 3 PAGES.

ITEM NO.	DESCRIPTION OF ITEMS OR RECORD SERIES	ACTION TAKEN
	<p>This record series consists of historical photos (both 8x10's and 3½x5's) documenting renovation work completed on various areas of the State Capitol Building (mainly the dome, mezzanine, and the sixth floor). Some of these photos are labeled and dated, some are not, but most deal with Secretary of State Renovation Project #6825 - an extensive project which spanned many years in the mid and late 1960's.</p> <p>Recommendation: Transfer to the State Archives for permanent retention.</p>	
3.	<p>Chicago Motor Vehicle Facilities Drawings (Originals)</p> <p>Dates: (1958) Volume: Negligible Annual Accumulation: N/A Arrangement: --</p> <p>This record series consists of extensive architectural, structural, mechanical and electrical drawings of the three Chicago Motor Vehicle Facilities in existence in 1958 (North, South and West).</p> <p>Recommendation: Transfer to the State Archives for permanent retention.</p>	
4.	<p>State Building Floor Plans (Originals)</p> <p>Dates: (ca. 1950) Volume: Negligible Annual Accumulation: N/A Arrangement: --</p> <p>This record series consists of detailed floor plans of various state buildings (the Capitol Building, the Centennial Building, the Armory, the Archives, Fairgrounds Buildings, et al.) done by the former Department of Public Works' Division of Architecture and Engineering. Each floor plan indicates the area (in square feet) of each office, what agency or division occupies each area, and the number of employees working in that area. All offices are labeled as to their purpose (e.g., hearing room, vault, mailing room, director's office, reception room, lobby, general office).</p> <p>Recommendation: Transfer to the State Archives for permanent retention.</p>	

APPLICATION FOR AUTHORITY TO
DISPOSE OF STATE RECORDS

(CONTINUATION SHEET)

APPLICATION NO. 88-40

PAGE 3 OF 3 PAGES.

RM M RM-7a

ITEM NO.	DESCRIPTION OF ITEMS OR RECORD SERIES	ACTION TAKEN
5.	<p>State Capitol Floor Plans (Originals)</p> <p>Dates: (ca. 1966) Volume: Negligible Annual Accumulation: N/A Arrangement: --</p> <p>This record series consists of floor plans for the State Capitol Building, showing the agency or division occupying each office, as well as the area of each office (in square feet). These floor plans were drawn up for, and used in connection with, Secretary of State Renovation Project #6431.</p> <p>Recommendation: Transfer to the State Archives for permanent retention.</p>	<p>1589-03 5 0.</p>

GEORGE H. RYAN
Secretary of State
and
State Archivist

STATE OF ILLINOIS
STATE RECORDS COMMISSION

APPLICATION NO. 93-8
PAGE 1 OF 2 PAGES

APPLICATION FOR AUTHORITY TO
DISPOSE OF STATE RECORDS

AGENCY
Office of the Secretary of State

DIVISION

Physical Services Department

SUBDIVISION

Property Control Warehouse

I HEREBY REQUEST AUTHORITY TO DISPOSE OF STATE GOVERNMENT RECORDS ACCORDING TO THE SCHEDULE BELOW. I CERTIFY THAT THOSE RECORDS TO BE DISPOSED OF ARE NOT NEEDED IN THE TRANSACTION OF CURRENT BUSINESS NOR ARE THEY OF SUFFICIENT ADMINISTRATIVE, LEGAL, OR FISCAL VALUE TO WARRANT FURTHER RETENTION BY THIS AGENCY. I ALSO CERTIFY THAT ANY MICROFILM COPIES WILL BE MADE IN ACCORDANCE WITH THE STANDARDS OF THE STATE RECORDS COMMISSION AND WILL BE ADEQUATE SUBSTITUTES FOR THE ORIGINAL RECORDS.

George H. Ryan
HEAD OF AGENCY

DATE

APPROVED BY STATE RECORDS
COMMISSION

[Signature]
CHAIRMAN

[Signature]
SECRETARY

MAR 17 1993
DATE

ITEM NO.	DESCRIPTION OF RECORD SERIES	ACTION TAKEN
1.	<p>Annual Inventory Listings of Furniture and Office Equipment (Central Copies)</p> <p>Dates: 1982 - Volume: 25 Cu. Ft. Annual Accumulation: 2 1/2 Cu. Ft. Arrangement: Chronological by year</p> <p>This record series consists of annual inventory listings of furniture and office equipment possessed by the Secretary of State's Office which are valued above \$50.00.</p> <p>Data include location code, tag number, property item description, date of purchase, price, transaction code, object code, and voucher number.</p> <p>Original "Property Control Administration Files" are maintained for five (5) years by the Department of Central Management Services per item 1E. of Application 92-75.</p> <p>Recommendation: Retain in office for three (3) years, then dispose of provided all audits have been completed under the supervision of the Auditor General, if necessary, and no litigation is pending or anticipated.</p>	<p>Disposition Approved</p>

APPLICATION FOR AUTHORITY TO
DISPOSE OF STATE RECORDS
(CONTINUATION SHEET)

93-8

APPLICATION NO. _____
2 2
PAGE _____ OF _____ PAGES.

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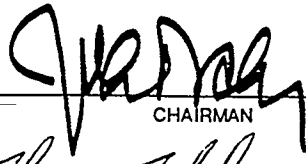

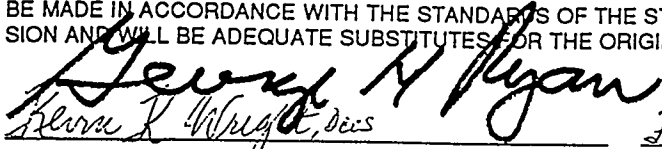
NO.	DESCRIPTION OF ITEMS OR RECORD SERIES	ACTION TAKEN
	<p>Motor Pool Vehicle Requests (PC 34.2), Motor Pool Vehicle Log Sheets (PC-33), and Property Control Vehicle Logs (PC-35) (Originals)</p> <p>Dates: 1986 - Volume: 24 Cu. Ft. Annual Accumulation: 4 Cu. Ft. Arrangement: Chronological by year, Numerical by plate number</p> <p>This record series consists of documents used by staff for reserving agency motor pool vehicles and for generally controlling motor pool vehicle usage.</p> <p>Recommendation: Retain in office for three (3) years, then dispose of provided all audits have been completed under the supervision of the Auditor General, if necessary, and no litigation is pending or anticipated.</p>	<p><i>Disposition Approved</i></p>

GEORGE H. RYAN
Secretary of State
and
State Archivist

STATE OF ILLINOIS
STATE RECORDS COMMISSION

APPLICATION NO. 95-10
PAGE 1 OF 1 PAGE

APPLICATION FOR AUTHORITY TO
DISPOSE OF STATE RECORDS

AGENCY <u>Office of the Secretary of State</u>	APPROVED BY STATE RECORDS COMMISSION  CHAIRMAN  SECRETARY FEB 15 1995 DATE
DIVISION <u>Physical Services</u>	
SUBDIVISION	
I HEREBY REQUEST AUTHORITY TO DISPOSE OF STATE GOVERNMENT RECORDS ACCORDING TO THE SCHEDULE BELOW. I CERTIFY THAT THOSE RECORDS TO BE DISPOSED OF ARE NOT NEEDED IN THE TRANSACTION OF CURRENT BUSINESS NOR ARE THEY OF SUFFICIENT ADMINISTRATIVE, LEGAL, OR FISCAL VALUE TO WARRANT FURTHER RETENTION BY THIS AGENCY. I ALSO CERTIFY THAT ANY MICROFILM COPIES WILL BE MADE IN ACCORDANCE WITH THE STANDARDS OF THE STATE RECORDS COMMISSION AND WILL BE ADEQUATE SUBSTITUTES FOR THE ORIGINAL RECORDS.  HEAD OF AGENCY DATE <u>February 8, 1995</u>	

ITEM NO.	DESCRIPTION OF RECORD SERIES	ACTION TAKEN
1.	<p>Registers of Capitol Building Guests and Tour Groups (Hardcopy)</p> <p>Dates: 1985 - Volume: 10 Cu. Ft. Annual Accumulation: 1 Cu. Ft. Arrangement: Chronological</p> <p>These registers are maintained as a statistical source for the compilation of the department's monthly and annual reports of activities to the Executive Office. The department's annual reports are scheduled for accessioning by the Illinois State Archives under item 3 of Application 89-86 and the monthly reports are approved for disposal following a two (2) year retention period by provision of item 4 of Application 89-86.</p> <p>Recommendation: Retain in office for two (2) years, then dispose of providing all audits have been completed under the supervision of the Auditor General, if necessary, and no litigation is pending or anticipated.</p>	Disposition Approved

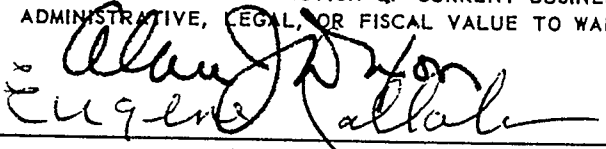
STATE OF ILLINOIS
STATE RECORDS COMMISSION

RM/M RM-7

APPLICATION FOR AUTHORITY TO
DISPOSE OF STATE RECORDS


APPLICATION NO. 78-69

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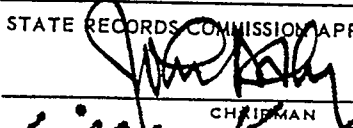
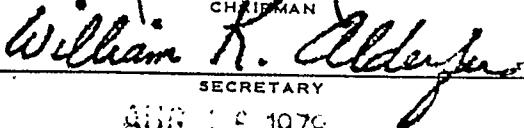
AGENCY	Secretary of State
VISION	Physical Services
SUBDIVISION	Shipping
I HEREBY CERTIFY THAT THE RECORDS DESCRIBED IN THIS APPLICATION ARE NOT NEEDED IN THE TRANSACTION OF CURRENT BUSINESS AND ARE NOT OF SUFFICIENT ADMINISTRATIVE, LEGAL, OR FISCAL VALUE TO WARRANT FURTHER PRESERVATION.	
 HEAD OF AGENCY	7/18/78 DATE

SUBMIT ORIGINAL AND TWO COPIES TO STATE RECORDS
COMMISSION WITH SAMPLES OF EACH ITEM LISTED.

RECOMMENDATION:

 8/16/78
ARCHIVIST *md* DATE

STATE RECORDS COMMISSION APPROVAL:


CHAIRMAN

SECRETARY
AUG 18 1978
DATE

ITEM NO.	DESCRIPTION OF ITEMS OR RECORD SERIES	ACTION TAKEN
	GIVE TITLE, EARLIEST DATE, FILE ARRANGEMENT, VOLUME, ANNUAL ACCUMULATION, FORM NUMBERS, LEGAL REQUIREMENTS AFFECTING RETENTION, AND RECOMMENDED RETENTION PERIOD. IF MICROFILMED, THE HEAD OF THE AGENCY SHALL ATTACH A STATEMENT CERTIFYING THAT MICROFILM COPIES, MADE IN ACCORDANCE WITH THE STANDARDS OF THE STATE RECORDS COMMISSION, WILL BE ADEQUATE SUBSTITUTES FOR THE ORIGINAL RECORDS.	
1.	<p>Registered and Certified Mail Return Receipt Cards</p> <p>Dates: 1947- Volume: 2 cubic feet Annual Accumulation: less than 1/4 cubic foot Arrangement: chronologically</p> <p>Included in these records are registered and certified mail return receipt cards which show that the Shipping Department has registered and mailed certain parcels.</p> <p>Also included are applications for the registration or certification of articles to be mailed out by the Shipping Department.</p> <p>Application # D-241, Item # 1, rewritten to bring up to date.</p> <p>Recommendation: retain one (1) fiscal year in office, then dispose of providing all audits have been completed under the supervision of the Auditor General, if necessary, and if no litigation is pending nor anticipated.</p>	Disposition Approved

APPLICATION FOR AUTHORITY TO
DISPOSE OF STATE RECORDS
(CONTINUATION SHEET)

78-62
APPLICATION NO. _____
PAGE 2 OF 2 PAGES.

DESCRIPTION OF ITEMS OR RECORD SERIES	ACTION TAKEN
<p>Receipt for Court Reports Shipped</p> <p>Dates: 1945- Volume: 2 cubic feet Annual Accumulation: less than 1/2 cubic foot Arrangement: Alphabetical, then chronological there under</p> <p>Included in these records are receipts for Supreme Court and Appellate Court reports that were shipped out.</p> <p>In 1953, receipts were replaced by Addressograph strip lists of the recipients of the reports. The lists are then checked when the reports are mailed out.</p> <p>Application # D-241, Item # 2, rewritten to bring up to date.</p> <p>Recommendation: Retain one (1) fiscal year in office, then dispose of providing all audits have been completed under the supervision of the Auditor General, if necessary, and if no litigation is pending nor anticipated.</p>	<p>Disposition Approved</p>

STATE OF ILLINOIS
STATE RECORDS COMMISSION

APPLICATION FOR AUTHORITY TO
DISPOSE OF STATE RECORDS

APPLICATION NO. 61-9
PAGE 1 OF 2 PAGES.

AGENCY

SECRETARY OF STATE

VISION

Buildings and Grounds

DIVISION

State Office Building

I HEREBY CERTIFY THAT THE RECORDS DESCRIBED IN THIS APPLICATION ARE NOT
NEEDED IN THE TRANSACTION OF CURRENT BUSINESS AND ARE NOT OF SUFFICIENT
ADMINISTRATIVE, LEGAL, OR FISCAL VALUE TO WARRANT FURTHER PRESERVATION.

Charles S. Carpenter
HEAD OF AGENCY

3-27-61
DATE

SUBMIT ORIGINAL AND TWO COPIES TO STATE RECORDS
COMMISSION WITH SAMPLES OF EACH ITEM LISTED.

RECOMMENDATION

approved

Charles S. Carpenter 4/4/61
ARCHIVIST DATE

STATE RECORDS COMMISSION APPROVAL:

Theo J. Cassidy
CHAIRMAN
Clyde Walton
SECRETARY

April 5, 1961.
DATE

DESCRIPTION OF ITEMS OR RECORD SERIES

EM
O.

GIVE TITLE, EARLIEST DATE, FILE ARRANGEMENT, VOLUME, ANNUAL ACCUMULATION, FORM NUMBERS, LEGAL
REQUIREMENTS AFFECTING RETENTION, AND RECOMMENDED RETENTION PERIOD. IF MICROFILMED, THE HEAD OF
THE AGENCY SHALL ATTACH A STATEMENT CERTIFYING THAT MICROFILM COPIES, MADE IN ACCORDANCE WITH
THE STANDARDS OF THE STATE RECORDS COMMISSION, WILL BE ADEQUATE SUBSTITUTES FOR THE ORIGINAL
RECORDS.

ACTION TAKEN

1. Time Sheets -

Dates: 1955-
Volume: 2 cubic feet
Annual Accumulation: 1 cubic foot
Arranged: Chronological

File contains employees daily time sheets which record number
of hours worked.

Recommendation: Retain for two years, then destroy; provided a
post audit has been made under the supervision of the
Auditor General.

*Disposition
Approved*

. Power Plant Log and Daily Work Sheets -

Dates: 1955-
Volume: 2 cubic feet
Annual Accumulation: 1 cubic foot
Arranged: Chronological

File contains daily performance records and readings of power
plant equipment.

Recommendation: Retain for two years, then destroy.

APPLICATION FOR AUTHORITY TO
DISPOSE OF STATE RECORDS

(CONTINUATION SHEET)

APPLICATION NO. 61-9
PAGE 2 OF 2 PAGES.

DESCRIPTION OF ITEMS OR RECORD SERIES

ACTION TAKEN

Power Plant Recorder Charts -

Dates: 1955-
Volume: 4 cubic feet
Annual Accumulation: 1 cubic foot
Arranged: chronological

These are daily wheel charts for recording boiler performance. The data herein recorded is transferred to another sheet to determine how many pounds of coal are necessary to develop so many pounds of raw water and result in so many pounds of steam.

Recommendation: Retain for two years, then destroy.

*Disposition
Approved*

New Building Log Sheets -

Dates: 1955-
Volume: 4 cubic feet
Annual Accumulation: 1 cubic foot
Arranged: Chronological

File contains heating and cooling equipment daily performance charts.

Recommendation: Retain for two years, then destroy.

Weathermaster Charts - New Building -

Dates: 1955-
Volume: 4 cubic feet
Annual Accumulation: 1 cubic foot
Arranged: Chronological

These are daily recorder charts used to measure the efficiency of operation of thermostatically controlled equipment.

Recommendation: Retain for two years, then destroy.

*Disposition
Approved*

Supply Requisitions -

Dates: 1955-
Volume: 3 cubic feet
Annual Accumulation: 1 cubic foot

File contains requisitions for supplies and services.

Recommendation: Retain for two years, then destroy., provided a post audit has been made under the supervision of the Auditor General.

*Disposition
Approved*

STATE OF ILLINOIS
STATE RECORDS COMMISSIONAPPLICATION FOR AUTHORITY TO
DISPOSE OF STATE RECORDSAPPLICATION NO. 64-3
PAGE 1 OF 3 PAGES.

AGENCY

SECRETARY OF STATE

DIVISION

~~Grounds and Buildings~~

DIVISION

~~New State Office Building~~

I HEREBY CERTIFY THAT THE RECORDS DESCRIBED IN THIS APPLICATION ARE NOT NEEDED IN THE TRANSACTION OF CURRENT BUSINESS AND ARE NOT OF SUFFICIENT ADMINISTRATIVE, LEGAL, OR FISCAL VALUE TO WARRANT FURTHER PRESERVATION.

HEAD OF AGENCY

DATE

SUBMIT ORIGINAL AND TWO COPIES TO STATE RECORDS COMMISSION WITH SAMPLES OF EACH ITEM LISTED.

RECOMMENDATION:

ARCHIVIST

DATE

STATE RECORDS COMMISSION APPROVAL:

CHAIRMAN

SECRETARY

January 8, 1964.

DATE

DESCRIPTION OF ITEMS OR RECORD SERIES

GIVE TITLE, EARLIEST DATE, FILE ARRANGEMENT, VOLUME, ANNUAL ACCUMULATION, FORM NUMBERS, LEGAL REQUIREMENTS AFFECTING RETENTION, AND RECOMMENDED RETENTION PERIOD. IF MICROFILMED, THE HEAD OF THE AGENCY SHALL ATTACH A STATEMENT CERTIFYING THAT MICROFILM COPIES, MADE IN ACCORDANCE WITH THE STANDARDS OF THE STATE RECORDS COMMISSION, WILL BE ADEQUATE SUBSTITUTES FOR THE ORIGINAL RECORDS.

ACTION TAKEN

Master Requisition Book -

Dates: 1955-
Volume: 3 cubic feet
Annual Accumulation: 1/2 cubic foot
Arranged: Chronological

File contains bound books containing vendors names, requisition numbers, purchase order numbers, receipt and billing dates, and amounts of payments.

Recommendation: Retain for three years and then destroy provided a post audit has been made under the supervision of the Auditor General.

Disposition
Approved

Sign In and Sign Out Logs -

Dates: 1955-
Volume: 2 cubic feet
Annual Accumulation: 1/4 cubic foot
Arranged: Chronological

File contains: bound books of names and room destinations of persons signing into and out of the New State Office Building after the hours of normal business.

Recommendation: Retain for two years and then destroy.

Disposition
Approved

APPLICATION FOR AUTHORITY TO
DISPOSE OF STATE RECORDS

(CONTINUATION SHEET)

APPLICATION NO. 64-3

PAGE 2 OF 3 PAGES.

DESCRIPTION OF ITEMS OR RECORD SERIES

ACTION TAKEN

3. Coal Receipts -

Dates: 1955-
Volume: 4 cubic feet
Annual Accumulation: 1/2 cubic foot
Arranged: Numerical

File contains: receipts for coal deliveries to the power plant and the New State Office Building.

Recommendation: Retain for two years and then destroy provided a post audit has been made under the supervision of the Auditor General.

*Disposition
Approved*

Receiving Sheets -

Dates: 1955-
Volume: 3 cubic feet
Annual Accumulation: 1/2 cubic foot
Arranged: Chronological

File contains: receiving sheets for materials delivered to the New State Office Building. Information contained on these sheets include name of receiving agency, name of delivery company, date of delivery, ticket or freight bill number and general description of items delivered.

Recommendation: Retain for two years and then destroy provided a post audit has been made under the supervision of the Auditor General.

*Disposition
Approved*

Material Removal Permits -

Dates: 1955-
Volume: 3 cubic feet
Annual Accumulation: 1/2 cubic foot
Arranged: Chronological

File contains permits to remove specified materials from various agencies quartered in the New State Office Building.

Recommendation: Retain for two years and then destroy.

*Disposition
Approved*

DESCRIPTION OF ITEMS OR RECORD SERIES

ACTION TAKEN

6. Watchmen's Time Clock Logs -

Dates: 1955-
Volume: 2 cubic feet
Annual Accumulation: 1/4 cubic foot
Arranged: Chronological

File contains: time clock tapes, nightly validated and signed by watchmen on duty in the course of making their rounds.

Recommendation: Retain for two years and then destroy.

*Disposition
Approved*

APPLICATION FOR AUTHORITY TO
DISPOSE OF STATE RECORDS
(CONTINUATION SHEET)APPLICATION NO. 78-2
PAGE 3 OF 3 PAGES.

ITEM NO.	DESCRIPTION OF ITEMS OR RECORD SERIES	ACTION TAKEN
3.	<p data-bbox="121 425 1096 478">Agreements for Use of Facilities at No Expense (Originals)</p> <p data-bbox="121 500 1274 659">Dates: 1974 - Volume: Less than 1/2 cubic foot Annual Accumulation: Negligible Arranged: Chronologically, then alphabetically by location</p> <p data-bbox="121 723 1307 915">These original agreements are entered into by the Secretary of State's Office on an annual basis for use of space owned by either County or Village municipalities with no expenses incurred by the Secretary of State's Office. Duplicates are maintained by the General Accounting Division of this Agency and by the parties making the agreements.</p> <p data-bbox="121 978 1226 1170">Recommendation: Retain two (2) fiscal years in the office, then dispose of providing all audits have been completed under supervision of the Auditor General, if necessary, and no litigation is pending or anticipated.</p>	Disposition Approve

of such notice the head of the public body shall promptly review the public record, determine whether under the provisions of this Act such record is open to inspection and copying, and notify the person making the appeal of such determination within 7 working days after the notice of appeal.

(b) Any person making a request for public records shall be deemed to have exhausted his administrative remedies with respect to such request if the head of the public body affirms the denial or fails to act within the time limit provided in subsection (a) of this Section.

P.A. 83-1013, § 10, eff. July 1, 1984.

Formerly Ill.Rev.Stat.1991, ch. 116, ¶ 210.

140/11. Denial of request for public records— Injunctive or declaratory relief

§ 11. (a) Any person denied access to inspect or copy any public record by the head of a public body may file suit for injunctive or declaratory relief.

(b) Where the denial is from the head of a public body of the State, suit may be filed in the circuit court for the county where the public body has its principal office or where the person denied access resides.

(c) Where the denial is from the head of a municipality or other public body, except as provided in subsection (b) of this Section, suit may be filed in the circuit court for the county where the public body is located.

(d) The circuit court shall have the jurisdiction to enjoin the public body from withholding public records and to order the production of any public records improperly withheld from the person seeking access. If the public body can show that exceptional circumstances exist, and that the body is exercising due diligence in responding to the request, the court may retain jurisdiction and allow the agency additional time to complete its review of the records.

(e) On motion of the plaintiff, prior to or after in camera inspection, the court shall order the public body to provide an index of the records to which access has been denied. The index shall include the following:

(i) A description of the nature or contents of each document withheld, or each deletion from a released document, provided, however, that the public body shall not be required to disclose the information which it asserts is exempt; and

(ii) A statement of the exemption or exemptions claimed for each such deletion or withheld document.

(f) In any action considered by the court, the court shall consider the matter de novo, and shall conduct such in camera examination of the requested records as it finds appropriate to determine if such records or any part thereof may be withheld under any provision of this Act. The burden shall be on the public body to establish that its refusal to permit public inspection or copying is in accordance with the provisions of this Act.

(g) In the event of noncompliance with an order of the court to disclose, the court may enforce its order against any public official or employee so ordered or primarily responsible for such noncompliance through the court's contempt powers.

(h) Except as to causes the court considers to be of greater importance, proceedings arising under this Section shall take precedence on the docket over all other causes and be assigned for hearing and trial at the earliest practicable date and expedited in every way.

(i) If a person seeking the right to inspect or receive a copy of a public record substantially prevails in a proceeding

under this Section, the court may award such person reasonable attorneys' fees if the court finds that the record or records in question were of clearly significant interest to the general public and that the public body lacked any reasonable basis in law for withholding the record.

P.A. 83-1013, § 11, eff. July 1, 1984. Amended by P.A. 85-1357, § 1, eff. Jan. 1, 1989.

Formerly Ill.Rev.Stat.1991, ch. 116, ¶ 211.

RECORDS

ACT 160. STATE RECORDS ACT

Section

- 160/1. Short title.
- 160/2. Definitions.
- 160/3. Reports and records of obligation, receipt and use of public funds as public records.
- 160/3.5. Confidentiality of foster placement records.
- 160/4. Right of access by public—Reproductions—Fees.
- 160/5. State Archives Division—Creation.
- 160/6. Secretary of State to be State Archivist—Assistants.
- 160/7. Powers and duties of secretary—Public access to records.
- 160/8. Preservation of records.
- 160/9. Programs for efficient management of records.
- 160/10. Transfer of agency records.
- 160/11. Records not to be damaged or destroyed.
- 160/12. Surveys of management and disposal practices.
- 160/13. Improvement of management practices and security of records.
- 160/14. Standards for retention.
- 160/15. Records centers.
- 160/15a. System for protection and preservation of records—Establishment.
- 160/15b. Records essential for emergency government operation—Determination.
- 160/16. State Records Commission—Membership—Meetings—Duties.
- 160/17. Disposal and reproduction of records—Regulations.
- 160/18. Reports and schedules to be submitted by agency heads.
- 160/19. Disposition of reports and schedules.
- 160/20. Destruction of nonrecord materials.
- 160/21. Disposal of records—Consent of agency head.
- 160/22. Disposition of records of terminated State agency.
- 160/22a. State Archives Advisory Board—Members—Terms—Officers—Compensation.
- 160/22b. State Archives Advisory Board—Meetings—Recommendations.
- 160/22c. Archiving of local government documents on optical disk media.
- 160/23. Repeal—Saving clause.
- 160/24. Penalty for violation.
- 160/25. Partial invalidity.
- 160/26. Freedom of Information Act—Application.

160/1. Short title

§ 1. This Act may be cited as the State Records Act. Laws 1957, p. 1687, § 1, eff. July 6, 1957. Amended by P.A. 86-1475, Art. 4, § 4-82, eff. Jan. 10, 1991. Formerly Ill.Rev.Stat.1991, ch. 116, ¶ 43.4.

Title of Act:

An Act relating to State records, providing for a State Archives division of the office of Secretary of State, creating the State Records

Commission and defining its powers and duties, providing for a continuing records and paperwork management program, and repealing an Act therein named. Laws 1957, p. 1687, approved and eff. July 6, 1957.

160/2. Definitions

§ 2. For the purposes of this Act:

"Secretary" means Secretary of State.

"Record" or "records" means all books, papers, maps, photographs, or other official documentary materials, regardless of physical form or characteristics, made, produced, executed or received by any agency in the State in pursuance of state law or in connection with the transaction of public business and preserved or appropriate for preservation by that agency or its successor as evidence of the organization, function, policies, decisions, procedures, operations, or other activities of the State or of the State Government, or because of the informational data contained therein. Library and museum material made or acquired and preserved solely for reference or exhibition purposes, extra copies of documents preserved only for convenience of reference, and stocks of publications and of processed documents are not included within the definition of records as used in this Act. Reports of impaired physicians under Section 16.04 of the Medical Practice Act¹ or Section 23 of the Medical Practice Act of 1987² are not included within the definition of records as used in this Act.

"Agency" means all parts, boards, and commissions of the executive branch of the State government including but not limited to State colleges and universities and their governing boards and all departments established by the "Civil Administrative Code of Illinois," as heretofore or hereafter amended.³

"Public Officer" or "public officers" means all officers of the executive branch of the State government, all officers created by the "Civil Administrative Code of Illinois," as heretofore or hereafter amended, and all other officers and heads, presidents, or chairmen of boards, commissions, and agencies of the State government.

"Commission" means the State Records Commission.

"Archivist" means the Secretary of State.

Laws 1957, p. 1687, § 2, eff. July 6, 1957. Amended by P.A. 83-663, § 1, eff. Jan. 1, 1984; P.A. 84-164, § 3, eff. Aug. 16, 1985; P.A. 85-1209, Art. III, § 3-126, eff. Aug. 30, 1988. Formerly Ill.Rev.Stat.1991, ch. 116, ¶ 43.5.

¹ Former Ill.Rev.Stat. ch. 111, ¶ 4437 (repealed).

² 225 ILCS 60/23.

³ 20 ILCS 5/1 et seq.

160/3. Reports and records of obligation, receipt and use of public funds as public records

§ 3. Reports and records of the obligation, receipt and use of public funds of the State are public records available for inspection by the public, except as access to such records is otherwise limited or prohibited by law or pursuant to law. These records shall be kept at the official place of business of the State or at a designated place of business of the State. These records shall be available for public inspection during regular office hours except when in immediate use by persons exercising official duties which require the use of those records. The person in charge of such records may require a notice in writing to be submitted 24 hours prior to inspection and may require that such notice specify which records are to be inspected. Nothing in this section shall require the State to invade or assist in the invasion of any person's right to privacy. Nothing in this Section shall be construed to

limit any right given by statute or rule of law with respect to the inspection of other types of records.

Warrants and vouchers in the keeping of the State Comptroller may be destroyed by him as authorized in "An Act in relation to the reproduction and destruction of records kept by the Comptroller", approved August 1, 1949, as now or hereafter amended.¹

Laws 1957, p. 1687, § 3, eff. July 6, 1957. Amended by P.A. 77-1870, § 1, eff. Oct. 1, 1972; P.A. 79-139, § 2, eff. Oct. 1, 1975; P.A. 83-663, § 1, eff. Jan. 1, 1984.

Formerly Ill.Rev.Stat.1991, ch. 116, ¶ 43.6.

¹ 15 ILCS 415/0.01 et seq.

160/3.5. Confidentiality of foster placement records

§ 3.5. Confidentiality of foster placement records. All records concerning foster placement and foster parent identifying information shall not be considered records under this Act. These records shall be released only in accordance with Section 35.3 of the Children and Family Services Act.¹

Laws 1957, p. 1687, § 3.5, added by P.A. 90-15, § 5, eff. June 13, 1997.

¹ 20 ILCS 505/35.3.

160/4. Right of access by public—Reproductions—Fees

§ 4. Any person shall have the right of access to any public records of the expenditure or receipt of public funds as defined in Section 3 for the purpose of obtaining copies of the same or of making photographs of the same while in the possession, custody and control of the lawful custodian thereof, or his authorized deputy. The photographing shall be done under the supervision of the lawful custodian of said records, who has the right to adopt and enforce reasonable rules governing such work. The work of photographing shall, when possible, be done in the room where the records, documents or instruments are kept. However, if in the judgment of the lawful custodian of the records, documents or instruments, it would be impossible or impracticable to perform the work in the room in which the records, documents or instruments are kept, the work shall be done in some other room or place as nearly adjacent as possible to the room where kept. Where the providing of a separate room or place is necessary, the expense of providing for the same shall be borne by the person or persons desiring to photograph the records, documents or instruments. The lawful custodian of the records, documents or instruments may charge the same fee for the services rendered by him or his assistant in supervising the photographing as may be charged for furnishing a certified copy or copies of the said record, document or instrument. In the event that the lawful custodian of said records shall deem it advisable in his judgment to furnish photographs of such public records, instruments or documents in lieu of allowing the same to be photographed, then in such event he may furnish photographs of such records and charge a fee of 35¢ per page when the page to be photographed does not exceed legal size and \$1.00 per page when the page to be photographed exceeds legal size and where the fees and charges therefor are not otherwise fixed by law.

Laws 1957, p. 1687, § 4, eff. July 6, 1957.

Formerly Ill.Rev.Stat.1991, ch. 116, ¶ 43.7.

160/5. State Archives Division—Creation

§ 5. The Secretary of State shall provide for a State Archives Division as a repository of State records. The State Archives may utilize space in the Archives Building or other buildings as may be necessary or appropriate for the purpose, in the opinion of the Secretary of State.

Laws 1957, p. 1687, § 5, eff. July 6, 1957.

Formerly Ill.Rev.Stat.1991, ch. 116, ¶ 43.8.

**160/6. Secretary of State to be State Archivist—
Assistants**

§ 6. The Secretary of State shall be the State Archivist and Records Administrator and he shall appoint such assistants, who shall be technically qualified and experienced in the control and management of archival materials and in records management practices and techniques, as are necessary to carry out his duties as State Archivist.

Laws 1957, p. 1687, § 6, eff. July 6, 1957.

Formerly Ill.Rev.Stat.1991, ch. 116, ¶ 43.9.

**160/7. Powers and duties of secretary—Public
access to records****§ 7. The Secretary:**

(1) whenever it appears to him to be in the public interest, may accept for deposit in the State Archives the records of any agency or of the Legislative or Judicial branches of the State government that are determined by him to have sufficient historical or other value to warrant the permanent preservation of such records by the State of Illinois;

(2) may accept for deposit in the State Archives official papers, drawings, maps, writings, and records of every description of counties, municipal corporations, political subdivisions and courts of this State, and records of the federal government pertaining to Illinois, when such materials are deemed by the Secretary to have sufficient historical or other value to warrant their continued preservation by the State of Illinois.

(3) whenever he deems it in the public interest, may accept for deposit in the State Archives motion picture films, still pictures, and sound recordings that are appropriate for preservation by the State government as evidence of its organization, functions and policies.

(4) shall be responsible for the custody, use, servicing and withdrawal of records transferred for deposit in the State Archives. The Secretary shall observe any rights, limitations, or restrictions imposed by law relating to the use of records, including the provisions of the Mental Health and Developmental Disabilities Confidentiality Act¹ which limit access to certain records or which permit access to certain records only after the removal of all personally identifiable data. Access to restricted records shall be at the direction of the depositing State agency or, in the case of records deposited by the legislative or judicial branches of State government at the direction of the branch which deposited them, but no limitation on access to such records shall extend more than 75 years after the creation of the records, except as provided in the Mental Health and Developmental Disabilities Confidentiality Act. The Secretary shall not impose restrictions on the use of records that are defined by law as public records or as records open to public inspection;

(5) shall make provision for the preservation, arrangement, repair, and rehabilitation, duplication and reproduction, description, and exhibition of records deposited in the State Archives as may be needed or appropriate;

(6) shall make or reproduce and furnish upon demand authenticated or unauthenticated copies of any of the documents, photographic material or other records deposited in the State Archives, the public examination of which is not prohibited by statutory limitations or restrictions or protected by copyright. The Secretary shall charge a fee therefor in accordance with the schedule of fees in Section 10 of "An Act concerning fees and salaries, and to classify the several counties of this state with reference thereto," approved March 29, 1872, as amended,² except that there shall be no charge for making or authentication of such copies or reproductions furnished to any department or agency of the State for official use. When any such copy or reproduction is authenticated by the Great Seal of the State of Illinois and is certified by the Secretary, or in his name by his authorized representative, such copy or reproduction shall be admitted in evidence as if it were the original.

(7) any official of the State of Illinois may turn over to the Secretary of State, with his consent, for permanent preservation in the State Archives, any official books, records, documents, original papers, or files, not in current use in his office, taking a receipt therefor.

(8) shall require of all persons, firms, corporations or other legal entities who desire access to information not defined as public records or as records open to public inspection, but open to the public, as provided in this Act, an affidavit dated and signed by the person making the request or his representative, notarized by a notary public, and containing substantially the following:

"Application and Agreement for Release of Information

"The Secretary of State, State of Illinois, agrees to release the following described information subject to the following agreement:

"It is hereby agreed by _____, known as the User, that the information, lists, names and other material provided by the Office of the Secretary of State shall not be made available to other persons, firms, corporations or other legal entities. The User agrees that it shall preserve the confidentiality of any person or persons named in these records.

"The information contained shall not be exchanged with any other person, firm or corporation for other information or lists unless the identity of any person or persons named in these records has been removed. Such an act shall constitute a material breach of this agreement and all information previously received by the User shall be returned to the Office of the Secretary of State, State of Illinois.

"The user understands that any violation of this agreement is a Class A misdemeanor, punishable by imprisonment in a penal institution other than a penitentiary for not more than one year or a fine not exceeding \$1,000, or both.

"Description of information: _____

_____	_____
Date	Date
_____	_____
Signature	Signature
_____	Secretary of State, State of Illinois
User or his representative	by Director Archives and Records
_____	Division
User's name, if not above	

User's Address"	

A violation of the provisions of an agreement under this paragraph (8) is a Class A misdemeanor.

(9) may cooperate with the Illinois State Genealogical Society, or its successor organization, for the mutual benefit

of the Society and the Illinois State Archives, with the State Archives furnishing necessary space for the society to carry on its functions and keep its records, to receive publications of the Illinois State Genealogical Society, to use members of the Illinois State Genealogical Society as volunteers in various archival projects and to store the Illinois State Genealogical Society's film collections.

Laws 1957, p. 1687, § 7, eff. July 6, 1957. Amended by P.A. 81-913, § 1, eff. Sept. 22, 1979; P.A. 85-1238, § 4, eff. Aug. 30, 1988.

Formerly Ill.Rev.Stat.1991, ch. 116, ¶ 43.10.

1 740 ILCS 110/1 et seq.

2 5 ILCS 290/10.

160/8. Preservation of records

§ 8. The head of each agency shall cause to be made and preserved records containing adequate and proper documentation of the organization, functions, policies, decisions, procedures, and essential transactions of the agency designed to furnish information to protect the legal and financial rights of the state and of persons directly affected by the agency's activities.

This section shall not be construed to prevent the legal disposal of any records determined by the agency and by the Commission not to have sufficient value to warrant their continued preservation by the State or by the agency concerned.

Laws 1957, p. 1687, § 8, eff. July 6, 1957.

Formerly Ill.Rev.Stat.1991, ch. 116, ¶ 43.11.

160/9. Programs for efficient management of records

§ 9. The head of each agency shall establish, and maintain an active, continuing program for the economical and efficient management of the records of the agency.

Such program:

(1) shall provide for effective controls over the creation, maintenance, and use of records in the conduct of current business;

(2) shall provide for cooperation with the Secretary in applying standards, procedures, and techniques to improve the management of records, promote the maintenance and security of records deemed appropriate for preservation, and facilitate the segregation and disposal of records of temporary value;

(3) shall provide for compliance with the provisions of this Act and the rules and regulations issued thereunder.

This Section shall not apply to State colleges and universities and their governing boards.

Laws 1957, p. 1687, § 9, eff. July 6, 1957. Amended by P.A. 83-663, § 1, eff. Jan. 1, 1984.

Formerly Ill.Rev.Stat.1991, ch. 116, ¶ 43.12.

160/10. Transfer of agency records

§ 10. Whenever the head of an agency determines that substantial economies or increased operating efficiency can be effected thereby, he may, subject to the approval of the Secretary, provide for the storage, care, and servicing of records that are appropriate therefor in a records center operated and maintained by the Secretary.

Laws 1957, p. 1687, § 10, eff. July 6, 1957.

Formerly Ill.Rev.Stat.1991, ch. 116, ¶ 43.13.

160/11. Records not to be damaged or destroyed

§ 11. All records made or received by or under the authority of or coming into the custody, control or possession of public officials of this State in the course of their public duties are the property of the State and shall not be mutilated, destroyed, transferred, removed or otherwise damaged or disposed of, in whole or in part except as provided by law.

Laws 1957, p. 1687, § 11, eff. July 6, 1957.

Formerly Ill.Rev.Stat.1991, ch. 116, ¶ 43.14.

160/12. Surveys of management and disposal practices

§ 12. The Secretary shall make continuing surveys of State records management and disposal practices and obtain reports thereon from agencies.

Laws 1957, p. 1687, § 12, eff. July 6, 1957.

Formerly Ill.Rev.Stat.1991, ch. 116, ¶ 43.15.

160/13. Improvement of management practices and security of records

§ 13. The Secretary, with due regard to the program activities of the agencies concerned, shall make provision for the economical and efficient management of records of State agencies by analyzing, developing, promoting, coordinating, and promulgating standards, procedures, and techniques designed to improve the management of records, to insure the maintenance and security of records deemed appropriate for preservation, and to facilitate the segregation and disposal of records of temporary value. The Secretary shall aid also in promoting the efficient and economical utilization of space, equipment, and supplies needed for the purpose of creating, maintaining, storing, and servicing records.

This Section shall not apply to State colleges and universities and their governing boards.

Laws 1957, p. 1687, § 13, eff. July 6, 1957. Amended by P.A. 83-663, § 1, eff. Jan. 1, 1984.

Formerly Ill.Rev.Stat.1991, ch. 116, ¶ 43.16.

160/14. Standards for retention

§ 14. The Secretary shall establish standards for the selective retention of records of continuing value and assist agencies in applying such standards to records in their custody.

Laws 1957, p. 1687, § 14, eff. July 6, 1957.

Formerly Ill.Rev.Stat.1991, ch. 116, ¶ 43.17.

160/15. Records centers

§ 15. The Secretary shall establish, maintain, and operate records centers for the storage, care, and servicing of records of State agencies pending their deposit in the State Archives or the disposition of such records in any other manner authorized by law. The Secretary may establish, maintain, and operate centralized microfilming services for agencies.

Laws 1957, p. 1687, § 15, eff. July 6, 1957.

Formerly Ill.Rev.Stat.1991, ch. 116, ¶ 43.18.

160/15a. System for protection and preservation of records—Establishment

§ 15a. The head of each agency shall establish a system for the protection and preservation of essential State records necessary for the continuity of governmental functions in the event of an emergency arising from enemy action or natural

disaster and for the reestablishment of State government thereafter.

Laws 1957, p. 1687, § 15a, added by Laws 1961, p. 3508, § 1, eff. Aug. 18, 1961. Amended by P.A. 85-414, § 1, eff. Jan. 1, 1988.

Formerly Ill.Rev.Stat.1991, ch. 116, ¶ 43.18a.

160/15b. Records essential for emergency government operation—Determination

§ 15b. The head of each agency shall:

(1) Determine what records are "essential" for emergency government operation through consultation with all branches of government, State agencies, and with the State Civil Defense Agency.

(2) Determine what records are "essential" for post-emergency government operations and provide for their protection and preservation.

(3) Establish the manner in which essential records for emergency and post-emergency government operations shall be preserved to insure emergency usability.

(4) Establish and maintain an essential records preservation program.

The Secretary may provide for security storage or relocation of essential State records in the event of an emergency arising from enemy attack or natural disaster.

Laws 1957, p. 1687, § 15b, added by Laws 1961, p. 3508, § 1, eff. Aug. 18, 1961. Amended by P.A. 85-414, § 1, eff. Jan. 1, 1988.

Formerly Ill.Rev.Stat.1991, ch. 116, ¶ 43.18b.

160/16. State Records Commission—Membership—Meetings—Duties

§ 16. There is created the State Records Commission. The Commission shall consist of the following members: The Secretary of State, or his representative, who shall act as chairman; the State Historian, who shall serve as secretary; the State Treasurer, or his authorized representative; the Director of Central Management Services, or his authorized representative; the Attorney General, or his authorized representative; and the State Comptroller, or his authorized representative. The Commission shall meet whenever called by the chairman, who shall have no vote on matters considered by the Commission. It shall be the duty of the Commission to determine what records no longer have any administrative, legal, research, or historical value and should be destroyed or disposed of otherwise.

Laws 1957, p. 1687, § 16, eff. July 6, 1957. Amended by P.A. 78-592, § 41, eff. Oct. 1, 1973; P.A. 80-57, § 19, eff. July 1, 1977; P.A. 82-789, Art. I, § 30, eff. July 13, 1982.

Formerly Ill.Rev.Stat.1991, ch. 116, ¶ 43.19.

160/17. Disposal and reproduction of records—Regulations

§ 17. Regardless of other authorization to the contrary, no record shall be disposed of by any agency of the State, unless approval of the State Records Commission is first obtained. The Commission shall issue regulations, not inconsistent with this Act, which shall be binding on all agencies. Such regulations shall establish procedures for compiling and submitting to the Commission lists and schedules of records proposed for disposal; procedures for the physical destruction or other disposition of records proposed for disposal; and standards for the reproduction of records by photography or microphotographic processes with the view to the

disposal of the original records. Such standards shall relate to the quality of film used, preparation of the records for filming, proper identification matter on the records so that an individual document or series of documents can be located on the film with reasonable facility, and that the copies contain all significant record detail, to the end that the photographic or microphotographic copies will be adequate.

Such regulations shall also provide that the State archivist may retain any records which the Commission has authorized to be destroyed, where they have a historical value, and that the State archivist may deposit them in the State Library or State historical museum or with a historical society, museum or library.

Laws 1957, p. 1687, § 17, eff. July 6, 1957. Amended by P.A. 76-1667, § 1, eff. Oct. 3, 1969.

Formerly Ill.Rev.Stat.1991, ch. 116, ¶ 43.20.

160/18. Reports and schedules to be submitted by agency heads

§ 18. The head of each agency shall submit to the Commission, in accordance with the regulations of the Commission, lists or schedules of records in his custody that are not needed in the transaction of current business and that do not have sufficient administrative, legal or fiscal value to warrant their further preservation. The head of each agency also shall submit lists or schedules proposing the length of time each record series warrants retention for administrative, legal or fiscal purposes after it has been received by the agency.

Laws 1957, p. 1687, § 18, eff. July 6, 1957.

Formerly Ill.Rev.Stat.1991, ch. 116, ¶ 43.21.

160/19. Disposition of reports and schedules

§ 19. All lists and schedules submitted to the Commission shall be referred to the Archivist who shall ascertain whether the records proposed for disposal have value to other agencies of the State or whether such records have research or historical value. The Archivist shall submit such lists and schedules with his recommendations in writing to the Commission; and the final disposition of such records shall be according to the orders of the Commission.

Laws 1957, p. 1687, § 19, eff. July 6, 1957.

Formerly Ill.Rev.Stat.1991, ch. 116, ¶ 43.22.

160/20. Destruction of nonrecord materials

§ 20. Nonrecord materials or materials not included within the definition of records as contained in this Act may be destroyed at any time by the agency in possession of such materials without the prior approval of the Commission. The Commission may formulate advisory procedures and interpretation to guide in the disposition of nonrecord materials.

Laws 1957, p. 1687, § 20, eff. July 6, 1957.

Formerly Ill.Rev.Stat.1991, ch. 116, ¶ 43.23.

160/21. Disposal of records—Consent of agency head

§ 21. The Archivist shall submit to the Commission, with his recommendations in writing, disposal lists of records that have been deposited in the State Archives as provided in subsections (1), (2), and (3) of Section 7 of this Act, after having determined that the records concerned do not have sufficient value to warrant their continued preservation by the State. However, any records deposited in the State

Archives by any agency pursuant to the provisions of subsection (1) of Section 7 of this Act shall not be submitted to the Commission for disposal without the written consent of the head of such agency.

Laws 1957, p. 1687, § 21, eff. July 6, 1957.

Formerly Ill.Rev.Stat.1991, ch. 116, ¶ 43.24.

160/22. Disposition of records of terminated State agency

§ 22. Upon the termination of any State agency whose function or functions have not been transferred to another agency, the records of such terminated agency shall be deposited in the State Archives. The Commission shall determine which records are of sufficient legal, historical, administrative, or fiscal value to warrant their continued preservation by the State. Records that are determined to be of insufficient value to warrant their continued preservation shall be disposed of as provided in Section 17 of this Act.

Laws 1957, p. 1687, § 22, eff. July 6, 1957.

Formerly Ill.Rev.Stat.1991, ch. 116, ¶ 43.25.

160/22a. State Archives Advisory Board— Members—Terms—Officers— Compensation

§ 22a. There is hereby created the State Archives Advisory Board consisting of 12 voting members and 2 nonvoting members.

The voting members shall be appointed by the Secretary of State as follows: A member of the State Records Commission, a member of a Local Records Commission, a member of a local historical society or museum, a university archivist, a person in the field of education specializing in either history or political science, a genealogist, a research or reference librarian, a person who is employed or engaged as an archivist by a business establishment and 4 public members.

The nonvoting members shall be the Director of the State Library and the State Historian who shall serve ex-officio.

Four of the initial appointees shall serve a 1-year term; four shall serve 2-year terms; and the remaining 4 shall serve 3-year terms. The terms of the initial appointees shall be specified by the Secretary of State at the time of appointments. Subsequent to the initial appointments all members shall hold office for a period of 3 years. Vacancies shall be filled by appointment of the Secretary of State for the unexpired balance of the term. No person shall serve for more than 2 consecutive 3-year terms.

The State Archives Advisory Board shall elect from its own members one chairman and one vice chairman.

The members appointed to the Board shall serve without compensation but shall be reimbursed for necessary expenses incurred in the performance of their duties.

Laws 1957, p. 1687, § 22a, added by P.A. 83-523, § 1, eff. Sept. 17, 1983.

Formerly Ill.Rev.Stat.1991, ch. 116, ¶ 43.25a.

160/22b. State Archives Advisory Board— Meetings—Recommendations

§ 22b. The State Archives Advisory Board shall meet at the call of the chairman, but not less than 3 times in each calendar year, and shall make recommendations to the State Archivist on such matters as: general policies regarding the operation of the State archives; budget policies relative to

annual appropriations by the General Assembly; and policies for federal funded archives programs.

Laws 1957, p. 1687, § 22b, added by P.A. 83-523, § 1, eff. Sept. 17, 1983.

Formerly Ill.Rev.Stat.1991, ch. 116, ¶ 43.25b.

160/22c. Archiving of local government documents on optical disk media

§ 22c. The Secretary, no later than April 1, 1992, shall provide the General Assembly with his recommendations for the archiving of local government documents on optical disk media.

Laws 1957, p. 1687, § 22c, added by P.A. 87-825, § 3, eff. Dec. 16, 1991.

Formerly Ill.Rev.Stat.1991, ch. 116, ¶ 43.25c.

160/23. Repeal—Saving clause

§ 23. "An Act creating the State Records Commission and defining its powers and duties," approved July 23, 1943, as amended, is repealed,¹ but all orders heretofore issued by the State Records Commission created by said Act shall stand and continue to be in full force and effect.

Laws 1957, p. 1687, § 23, eff. July 6, 1957.

Formerly Ill.Rev.Stat.1991, ch. 116, ¶ 43.26.

¹ Former Ill.Rev.Stat. ch. 116, ¶ 39 et seq. (repealed).

160/24. Penalty for violation

§ 24. Any officer or employee who violates the provisions of Section 3 of this Act is guilty of a Class B misdemeanor.

Laws 1957, p. 1687, § 24, eff. July 6, 1957. Amended by P.A. 77-2221, § 1, eff. Jan. 1, 1973.

Formerly Ill.Rev.Stat.1991, ch. 116, ¶ 43.27.

160/25. Partial invalidity

§ 25. The invalidity of any section or part or portion of this act shall not affect the validity of the remaining sections or parts thereof.

Laws 1957, p. 1687, § 25, eff. July 6, 1957.

Formerly Ill.Rev.Stat.1991, ch. 116, ¶ 43.28.

160/26. Freedom of Information Act—Application

§ 26. Beginning July 1, 1984, the provisions of Sections 3 and 4 of this Act, as they relate to inspection and copying of records, shall apply only as to records and reports prepared or received prior to this date. Records and reports prepared or received on or after July 1, 1984, shall be covered under the provisions of "The Freedom of Information Act", approved by the 83rd General Assembly.¹

Laws 1957, p. 1687, § 26, added by P.A. 83-1013, § 12, eff. July 1, 1984.

Formerly Ill.Rev.Stat.1991, ch. 116, ¶ 43.29.

¹ 5 ILCS 140/1 et seq.

ACT 165. FILING OF COPIES ACT

Section

- 165/0.01. Short title.
- 165/1. Filing of reproduced copies in lieu of original.
- 165/2. Acceptable reproductions—Standard.
- 165/3. Page arrangement and use.
- 165/4. Required information—Signatures.
- 165/5. Approval for reproduction.

OFFICE OF THE SECRETARY OF STATE
POLICY MANUAL

Subject: RECORD INTEGRITY

Chapter: 6 Number: 6 Total Pages: 1

Approved: _____ Effective Date: 12-01-93

Supersedes Policy Number: 6-6 Dated: 12-15-82

6.6.1 No employee of the Office of the Secretary of State shall correct, adjust, delete, enhance or in any way alter any computer master file, microfilm or paper record, other than those record updates and changes properly verified and authorized. This policy is intended to deter manipulation and tampering of records in such a way as to benefit persons, firms, or corporations whose records the Secretary of State maintains.

6.6.2 Any employee found to have improperly utilized the record change mechanisms operated by this office will be subject to disciplinary action up to and including discharge.

OFFICE OF THE SECRETARY OF STATE
POLICY MANUAL

Subject: DEPARTMENTAL RECORDS OFFICER

Chapter: 6 Number: 7 Total Pages: 1

Approved: _____ Effective Date: 12-01-93

Supersedes Policy Number: 6-10 Dated: 02-01-88

6.7.1 Every department in the Office of the Secretary of State shall have a Records Officer whose duties shall include certifying that department's observance of the State Records Act pursuant to 5 ILCS 1992, 160 et seq. The name of the Records Officer of each department shall be filed with the Records Management Section of the Illinois State Archives within thirty (30) days of the effective date of this policy or within thirty (30) days of a vacancy in the position. The current Records Officer's appointments shall remain in effect.

6.7.2 Department directors shall have the authority to appoint or change records officers as they see fit.

FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 06/06/2000

To: Springfield

From: Springfield

Squad 4

Contact: SA [REDACTED]

Approved By: [REDACTED]

Drafted By: [REDACTED]

Case ID #: 194A-SI-50818

b6
b7C

Title: GEORGE RYAN;

[REDACTED]
et al;

CSLPO- State

Synopsis: Opening of sub-files

Details: As a result of the investigation concerning the above captioned subjects, information is being obtained regarding various improprieties in several areas. One of the areas concerns the extorting of car dealerships for campaign contributions and another area is the requirement of having to give a campaign contribution in order to obtain a job, or a promotion.

Information has already been obtained from separate sources indicating that an audit team operating under the Secretary of State writes up bogus violations on car dealerships in order to force the dealer to give a campaign contribution. To date, a [REDACTED] is cooperating regarding this matter and three separate dealerships have been identified in Decatur, Illinois. To properly manage this information, it is respectfully requested that sub-file B be opened.

b7D

Information is also being collected concerning allegations that employees of various state entities are required to give a campaign contribution before obtaining a promotion and or a job. These allegations are focusing on the Department of Natural Resources and corrections. To properly manage this information, it is respectfully requested that sub-file C be opened.

♦♦

Sub B - Car Dealers
Sub C - DNR/DOC Jobs

KAA15801-EE

194A-SI-50818-71
[REDACTED]
[REDACTED]
[REDACTED]
Sub B
Sub C
SA [REDACTED]

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b7C

194A-CG-107245
RKV:rkv

1

The following investigation was conducted by Federal Bureau of Investigation (FBI) Special Agent (SA) [redacted] on 05/03/2000, in Chicago, Illinois:

A telephone call was received from [redacted] born [redacted] telephone number [redacted] indicating that [redacted] had information concerning Illinois Governor GEORGE RYAN.

[redacted] stated that [redacted] has been told by a reliable source that wishes to remain anonymous, that Secretary of State (SOS) [redacted] who lives in [redacted] Illinois, was in charge of distributing fund raising tickets for Governor RYAN when he was the Illinois Secretary of State.

[redacted] was told that [redacted] would distribute the tickets to the supervisor of each SOS facility within his area, and require them to sell and/or purchase a set amount of tickets. Once the tickets were sold/purchased, [redacted] would pick up the cash.

[redacted] understood that the tickets were sold/purchased for \$100.00, and that there was no campaign event held in connection with the tickets.

[redacted] also understood that [redacted] of a local Olney construction and trucking company, was a big supporter of RYAN than purchased a number of tickets.

Lastly, [redacted] was told that [redacted] SOS office, [redacted] has additional information regarding these matters.

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① SA [redacted]
of [redacted] coordinate interviews
② File

194A-SI-50818-72

SEARCHED	INDEXED
SERIALIZED	FILED
MAY 8 2000	

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 05/14/2000

Source, who is not in a position to testify provided the following information SA [] on 4/26/00.

Over the past several years, individuals employed by the Illinois Secretary of State's Office in [] IL have solicited contributions for the election campaign of George Ryan and Jesse White. The source said the solicitations took place during normal business hours. On different occasions, the source asked the individuals about fund-raising during the work day. The Secretary of State employees answered they were using vacation time when soliciting contributions.

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The source identified the [] [] employee-FNU [] (phonetic spelling) and the [] of Secretary of State [] as being the employees that solicited funds.

Checks were written on the date of the solicitation.
Source [] SA []

SA [] FYI

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194A-SI-50818-73

SEARCHED	INDEXED
SERIALIZED	FILED
MAY 22 2000	
FBI - SPRINGFIELD	

Investigation on 4/26/00 at [] IL
File # [] ⁴⁵ 194A-SI-50818-73 Date dictated 4/29/00
by SA []

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b7D

JRT/3505.302

FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 06/07/2000

To: Chicago

Attn: WC-3

SA [REDACTED]

From: Springfield

Approved By: [REDACTED]

b6
b7C

Drafted By: [REDACTED]:mka

Case ID #: 194A-CG-107245-920 (Pending)

Title: SAFE ROAD

Synopsis: Documentation of a complaint call.

Details: On 6/5/00, [REDACTED] telephone number [REDACTED] called the Springfield Division to provide information to the agent investigating the license for bribes case. [REDACTED] stated that the following information may be of interest to the case agent.

[REDACTED] stated that approximately three years ago when GEORGE RYAN was the Illinois Secretary of State (SOS), illegal activities took place in the diesel fuel tax reporting procedures which resulted in many truck owners paying extra fees and fines to SOS. [REDACTED] stated that in the past, SOS had sent out blank motor fuel tax reports to truck owners on a quarterly basis. However, without notice, SOS stopped sending the blank forms and consequently [REDACTED] numerous [REDACTED] truck owners were delinquent in paying their motor fuel taxes. [REDACTED] stated that there were at least 10 [REDACTED] truck owners [REDACTED] who received the same certified letter from SOS which fined all of them for being late with their quarterly reports. [REDACTED] stated that [REDACTED]

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[REDACTED] stated that he believes this was done illegally just to generate extra money for SOS. [REDACTED]

The above information is submitted for whatever action deemed appropriate by Chicago.

♦♦

194A-SI-50818-74

SEARCHED	INDEXED
SERIALIZED	FILED
JUN 08 2000	
FBI-SPRINGFIELD	

mka 15901.2L

(Copies to Offices Checked)

TO: ☐ Director, Att: _____
☒ SAC, _____

☐ Albany
☐ Albuquerque
☐ Anchorage
☐ Atlanta
☐ Baltimore
☐ Birmingham
☐ Boston
☐ Buffalo
☐ Charlotte
☐ Chicago
☐ Cincinnati
☐ Cleveland
☐ Columbia
☐ Dallas
☐ Denver
☐ Detroit
☐ El Paso
☐ Honolulu
☐ Houston

☐ Indianapolis
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☐ Los Angeles
☐ Louisville
☐ Memphis
☐ Miami
☐ Milwaukee
☐ Minneapolis
☐ Mobile
☐ Newark
☐ New Haven
☐ New Orleans
☐ New York City
☐ Norfolk

☐ Oklahoma City
☐ Omaha
☐ Philadelphia
☐ Phoenix
☐ Pittsburgh
☐ Portland
☐ Richmond
☐ Sacramento
☐ St. Louis
☐ Salt Lake City
☐ San Antonio
☐ San Diego
☐ San Francisco
☐ San Juan
☐ Seattle
☒ Springfield
☐ Tampa
☐ Washington Metropolitan Field

☐ ASAC, Brooklyn-Queens (MRA)

Date 5/19/00

RE:

REMARKS:

The attached insert containing an allegation relating to the Illinois Secretary of State's Office is provided to Springfield Division for whatever action deemed appropriate.

SEARCHED <u>if</u>	INDEXED _____
SERIALIZED <u>if</u>	FILED _____
MAY 25 2000	
FBI - SPRINGFIELD	
SAC <u>Kathleen L. McCreary</u>	
FILE #	OFFICE <u>CG</u>

FILE #: 194-0

194-0
RKV:rkv

1

The following investigation was conducted by Federal Bureau of Investigation (FBI) Special Agent (SA) [redacted] in Chicago, Illinois, on 5/16/2000:

A telephone call was received from [redacted] telephone number [redacted] regarding additional information on the sale of fund raising tickets by the Illinois Secretary of States Office (SOS).

According to [redacted] two (2) employees of the local SOS office, [redacted] refused to buy and/or sell fund raising tickets for Governor GEORGE RYAN. As a result, they were the only two (2) employees of the facility required to wear coats and ties throughout the summer while on duty. [redacted] indicated that one (1) of these gentlemen is overweight, and may have had some health problems as a result of this dress requirement.

[redacted] was advised that SA [redacted] from the Springfield Division may be in contact with him regarding this information.

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(X)

194A-SI-50818-75

SEARCHED	INDEXED
SERIALIZED	FILED
JUN 8 2000	
FBI - SPRINGFIELD	
[redacted]	

FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 07/05/2000

To: Springfield

Attn: SAC Donald B. Whitehead

From: Springfield

Squad 4 / Headquarters

Contact: SA [REDACTED]

Approved By: [REDACTED]

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b7C

Drafted By: [REDACTED]

mck

Case ID #: 194A-SI-50818 (P)

Title: GEORGE RYAN;
ET AL;
CSLPO - STATE LEVEL

Synopsis: Summary of telephone conversation on 06/15/2000 with Assistant United States Attorney (AUSA) [REDACTED] AUSA [REDACTED] [REDACTED] and [REDACTED]

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Details: On 06/15/2000, AUSA [REDACTED] and AUSA [REDACTED] telephoned SA [REDACTED] concerning captioned investigation. AUSA [REDACTED] advised that one of the investigators for the Inspector General for the Illinois Secretary of State (SOS), [REDACTED] had reported to Inspector General James Burns that he [REDACTED] had received an anonymous tip concerning [REDACTED]

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[REDACTED] concerning a [REDACTED] [REDACTED] AUSA [REDACTED] went on to relate that [REDACTED] had obtained further information that the [REDACTED] was on the computer of a former SOS employee, [REDACTED] and that this computer was located in Room 312 of the Howlett Building in Springfield, Illinois.

AUSA [REDACTED] later telephoned on a three-way conversation with [REDACTED] to Illinois Secretary of State Jesse White. [REDACTED] reported that the computer has been moved and she was attempting to pinpoint the specific location of [REDACTED] computer.

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At approximately 2:50 p.m., [REDACTED] telephoned that he knew exactly which computer had the information and its exact location in [REDACTED] room, Room 312 of the Howlett Building. AUSA [REDACTED] and [REDACTED] were contacted, and it was agreed that [REDACTED] would meet with SA [REDACTED] and Computer Specialist (CS) [REDACTED]

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194A-SI-50818-76

RECEIVED
JUL 5 2000

BY: [REDACTED]

18607.22 ✓ [REDACTED]

To: Springfield From: Springfield
Re: 194A-SI-50818, 07/04/2000

[] to retrieve the computer from [] room, Room 312 of the Howlett Building.

At approximately 3:10 p.m., the computer was disconnected and was turned over to the FBI by Inspector []. The computer is described as an IBM PC 300PL, serial number 23A111T, Model 6862-V1U, Illinois SOS inventory tag number 0111551. [] advised that he believes the password for that particular computer is [] also advised that he []

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FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 07/05/2000

To: Springfield

Attn: SAC Donald B. Whitehead

From: Springfield

Squad 4 / Headquarters

Contact: SA [REDACTED]

Approved By: [REDACTED]

b6
b7C

Drafted By: [REDACTED]

mck

Case ID #: 194A-SI-50818 (P)

Title: GEORGE RYAN;
ET AL;
CSLPO - STATE LEVEL

Synopsis: Receipt of IBM personal computer (pc) from [REDACTED]
[REDACTED] Physical Services Department,
Illinois Secretary of State (SOS) on 06/16/2000.

Details: On 06/16/2000, [REDACTED] attorney, Illinois SOS,
[REDACTED] telephonically contacted the Springfield office with
information that the computer belonging to [REDACTED]
had been located and was being currently maintained by [REDACTED]
[REDACTED] at the Howlett Building in Springfield, Illinois in
Room [REDACTED]

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[REDACTED] was met at his office by Computer Specialist
(CS) [REDACTED] and SA [REDACTED] where [REDACTED] turned
over IBM PC 300PL, serial number 23VYYP6, Illinois SOS
identification tag number 0108544, Model 6562-46U. A receipt was
signed and left with [REDACTED] ♦♦

mck 194A-SI-50818-77

194A-SI-50818-77

RECEIVED
JUL 5 2000

BY: [REDACTED]

(12/31/1995)

FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 07/11/2000

To: Laboratory
Springfield

Attn: CART,
SSA [redacted]
Attn: SA [redacted]

From: Chicago
Squad IP/C
Contact: SA [redacted]

b6
b7C

Approved By: [redacted] *DP*

Drafted By: [redacted]:tsl *SL*

Case ID #: 194A-SI-50818 (Pending)-79
194A-CG-107245 (Pending)-1029
66-HQ-C1155003 (Pending)-4056
66F-CG-102169-302 (Pending)-249

*Alcopy
Reviewed by
SA [redacted]*

Title: SAFE ROAD

COMPUTER ANALYSIS RESPONSE TEAM (CART),
FIELD EXAMINER OPERATIONS

Synopsis: Cover lead set by Springfield.

Enclosures:

For Springfield:

[redacted]

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For FBIHQ, CART:

[redacted]

Details:

[redacted]

[redacted]

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193T5L02.EC

To: Laboratory
Re: 194A-SI-50818, 07/11/2000

From: Chicago

[redacted] were placed into
Chicago Division evidence control. [redacted]

[redacted] was provided to the
Springfield Division case agent and the Chicago Division case
agent. [redacted]

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[redacted] The original evidence was placed into Chicago Division
evidence control.

The Chicago Division considers this lead covered and
requests additional leads be set for any further analysis of
computers for the captioned investigation.

♦♦

Suit accuses state lawyer of lying

Says Ford withheld information during discrimination lawsuit

By DENNIS CONRAD

THE ASSOCIATED PRESS

The chief lawyer in George Ryan's secretary of state's office hampered a discrimination complaint by withholding information that an employee had used racial slurs, according to a federal lawsuit and documents prepared by one of Ryan's top police officers.

The lawsuit accuses Diane Ford, now the chief legal counsel to Ryan in the governor's office, of lying in a sworn statement that said the secretary of state's office had no knowledge of the employee's racist comments.

Her statement helped persuade Joe Williams, a black secretary of state's police investigator from Decatur, to accept a modest settlement in 1998 of his complaint that he was the subject of discrimination by a white supervisor, Sgt. Kenton Manning.

Williams has filed a lawsuit saying that settlement was obtained through fraud. He seeks a judgment against Ford and three other defendants for compensatory damages, legal fees, back pay and other costs. Williams settled his complaint for about \$15,000 in back pay and job commitments, including one that Manning not be his supervisor.

Ford did not return phone messages seeking comment last week. Her office directed calls to Ryan's press office. Ryan spokesman Nick Palazzolo said the governor's office would have no comment on pending litigation.

There is no dispute that Manning, who is also the Pawnee village president and a former secretary of state candidate, has used racial epithets. The questions are when and how.

Williams filed for worker's compensation, claiming he had numerous medical problems stemming from a working atmosphere of racial animosity. Manning testified at Williams' 1995 worker's compensation hearing that he had used the words "spook" and "nigger" around other officers but said he could not recall if he had in Williams' presence.

Manning said he was positive he had never directed any racial epithets toward Williams but was not sure whether he had directed any to someone else in Williams' presence.

Williams' lawsuit alleges — and government documents support the claim — that Ford received memos and reports about the supervisor's racial slurs.

One memo obtained by The Associated Press includes references to Manning using such phrases as

(Indicate page, name of newspaper, city and state.) Pg 11

STATE JOURNAL REGISTER
SPRINGFIELD, IL

Date: 7/9/2000
Edition:

Title:

Character:
or 194A-SI-50818

Classification:
Submitting Office:

SPRINGFIELD

ng:

"nigger" and "burr head."

A report compiled by Jerry LaGrow, a deputy director of Ryan's secretary of state's police, also said he had prepared memos on the racist comments and discussed them with Ford.

Williams, an almost 20-year veteran of the secretary of state's police, filed a complaint in 1996 with the Illinois Human Rights Commission that accused Manning of exhibiting racial animosity through slurs and other behavior.

Just months before Ryan's elec-

See **SUIT** on page 12

194A-SI-50818-80

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JUL 11 2000

BY: [Signature]

SUIT

From page 11

tion as governor in November 1998, Williams agreed to a settlement that reinstated him after a leave of absence to his previous investigator's job but with a new supervisor.

The settlement was based in part on Ford's sworn statement that the secretary of state's office was "unaware of anyone who saw, heard or knows of any discrimination as alleged," the lawsuit claims.

Now, Williams' lawsuit pending in federal court in Peoria contends that Ford knew about memos detailing Manning's use of racial slurs. The lawsuit, filed Feb. 4, was amended June 30.

One memo from LaGrow, dated Nov. 20, 1995, recounts a conversation he had days earlier with Manning: "By the way, Kenton, is this the time I am supposed to testify about all the times you referred to Williams and (another black) as niggers, burr heads and spear chucks?"

Manning recounts the same encounter in his own memo, but said that Williams' allegations about him were "unwarranted."

The AP recently obtained Manning's memo through a Freedom of Information request to the secretary of state.

Williams' attorney, Julie Galassi, said Ford had not disclosed the memo as obligated to.

Neither LaGrow's nor Manning's memo was on a list provided by Ryan's general counsel office on Jan. 16, 1998, when it was supposed to detail statements of witnesses having knowledge of Williams' allegations or any memos on the subject.

Williams' lawsuit also said LaGrow had requested an investigation into the alleged racially motivated harassment of Williams by Manning, but that LaGrow was "advised to keep his mouth shut and not pursue the matter ... because it could cost George Ryan the election for governor."

The alleged meeting involved Pecoraro, Willie Thompson, the chief deputy director of Ryan's police force, and Robert Powers, an attorney for the secretary of state's police, according to the lawsuit.

Pecoraro, now the communications director for the Corrections Department, did not return messages left at his home and office seeking comment.

Thompson, now an official at the Department of Natural Resources, had no comment.

Palazzolo said he spoke for Ford and Powers, also now an attorney in the governor's office, in declining any comment.

Galassi said that information about the "mouth shut" meeting was obtained by Williams from LaGrow, even though it was not in LaGrow's report to White's office. She said LaGrow has since declined to verify the account of that specific meeting that supposedly occurred in the weeks before Ford's response.

Galassi named Ford, Powers, Pecoraro and Thompson as individual defendants in the lawsuit.

LaGrow retired from the secretary of state's office last December but currently is under contract with White's office to conduct investigations of securities violations. Manning is still with the secretary of state as a sergeant.

Williams, who was on leave for medical reasons, was fired in April after he did not return to work in time, according to Robert Howlett, director of the secretary of state's police.

(01/26/1998)

FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 07/13/2000

To: Springfield

From: Springfield

Squad 4

Contact: SA Ext.

Approved By:

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Drafted By: :sgn

Case ID #: 194S-SI-50818 (Pending)

Title: GEORGE RYAN;
ET AL
CSLPO - STATE LEVEL

Synopsis: Special assistance is requested of

Details: Assistance of

via Federal Grand
Jury Subpoenas.

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① ASAC *Gja*
FYI
② F.I.E

194S-SI-50818-81
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JUL 17 2000
BY: *[Signature]*

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 07/18/2000

		date of birth	
		telephone number	
	advised		

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Investigation on 7/17/00 at _____ (telephonically)

File # 194A-SI-50818 -82 Date dictated 7/18/00

by [signature]

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- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 06/01/2000

Source, who is not in a position to testify, provided the following information to SA [] on 5/10/00.

Source had previously indicated Illinois State employees solicited campaign contributions for then Secretary of State George Ryan, and current Secretary of State Jesse White during regular business hours. Source related he/she had copies of []

(X) b6
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Source provided copies of [] Ryan's and White's campaigns. [] have been placed in a 1A envelope for the file.

① SA []
② File []
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194A-SI-50818-83

SEARCHED	INDEXED
SERIALIZED	FILED
JUN 5 2000	
FBI - SPRINGFIELD	

Investigation on 5/10/00 at [] IL

File # []; 194A-SI-50818-83 Date dictated 5/19/00

by SA []

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- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 06/26/2000

Source, who is in a position to testify, wanted to provide the below Agent with information regarding the sale of driver's licenses for campaign fund-raising. Source advised that

[REDACTED]

[REDACTED] Source advised that [REDACTED]

[REDACTED]

[REDACTED] Source also advised that [REDACTED]

[REDACTED]

Source advised that [REDACTED]

[REDACTED]

[REDACTED] Source advised that [REDACTED]

[REDACTED]

[REDACTED] Source stated that [REDACTED]

[REDACTED]

[REDACTED] Source stated that [REDACTED]

[REDACTED]

Source stated that [REDACTED]

[REDACTED]

[REDACTED]

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Source also stated [REDACTED]

[REDACTED] Source advised that [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] Source advised that [REDACTED]

[REDACTED]

Investigation on 05/23 & 31/2000 at [REDACTED] IllinoisFile # [REDACTED] 194A-SI-50818 -84 Date dictated 05/23/2000by SA [REDACTED] /mckb6
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194A 8-50818-85

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JUL 19 2000
BY: *sym*

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 07/03/2000

On June 16, 2000, Inspector [redacted] Office of Inspector General, ILLINOIS SECRETARY OF STATE, provided copies of various documents retrieved from the hard drive belonging to [redacted] which was located in room 312, Howlett Building, Springfield, Illinois. Inspector [redacted] also provided a copy of a [redacted] that he, [redacted] which indicated [redacted]

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[redacted] advised that based on the anonymous letter he was able to obtain various other documents from the hard drive in room 312 from the computer that was on the desk of [redacted] took over the office that belonged to [redacted] and the computer that was in [redacted] office provided the documents [redacted] was providing. [redacted]

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[redacted] provided various other documents retrieved from the computer located in [redacted] office, Room 312 of the Howlett Building, [redacted]

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b7EInvestigation on 06/16/2000 at Springfield, IllinoisFile # 194A-SI-50818Date dictated 06/21/2000by SA [redacted] cafb6
b7C

CAF 18503.302
This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

copy sent to NSA
7-18-00 via FAX

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 06/30/2000

Source, who is in a position to testify, provided the following information:

Source advised that [redacted] (phonetic), who was the [redacted] ordered source to [redacted]

[redacted] Source advised this occurred in approximately [redacted] threatened source with being fired if source did not [redacted]

[redacted] Source believes the reason for the [redacted] was because [redacted]

Source believes that [redacted]

[redacted]

Source advised that [redacted]

[redacted]

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JUL 6 2000
BY: [signature]

Investigation on 06/13/2000 at Springfield, Illinois

File # [redacted] / 194A-SI-50818-86 Date dictated 06/14/2000

by SA [redacted] SA [redacted] SGN/mck

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- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 06/30/2000

Source, who is in a position to testify, provided the following information:

Source telephoned with information that [REDACTED]

[REDACTED]

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Source advised that he/she heard that [REDACTED]

[REDACTED]

[REDACTED]

194A-SI-50818-87
RECEIVED
JUL 6 2000
BY: [Signature]

Investigation on 06/14/2000 at Springfield, Illinois (Telephonic)

File # [REDACTED] / 194A-SI-50818 -87 Date dictated 06/14/2000

by SA [REDACTED] /mck

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FEDERAL BUREAU OF INVESTIGATION

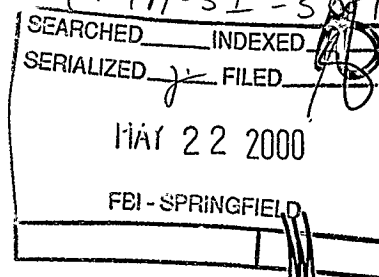
Date of transcription 05/02/2000

A source, not in a position to testify, was contacted and provided the following information:

Source stated source could not find the telephone number for [] and has been unable to speak with [] Source heard that [] had spoken with the FBI, but source had no specific information.

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Source stated that []
[] source heard that [] while assisting the FBI in the investigation of the Governor's office, had uncovered something negative in [] background. Source did not have any specific knowledge as to what the information involved.



Investigation on 5/1/2000 at []
File # [] 194A-SI-50818-88 Date dictated 5/2/2000
by SA [] /elj

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 04/10/2000

Source, who is in the position to testify, provided the following information:

[REDACTED]

[REDACTED] The source alleges GEORGE RYAN, Governor of Illinois, [REDACTED]
[REDACTED] The source indicated that [REDACTED]

[REDACTED]

[REDACTED] According to the source, RYAN [REDACTED]

[REDACTED]

Source indicates that RYAN [REDACTED]

[REDACTED]

[REDACTED] The source indicated that RYAN, while Governor of Illinois, [REDACTED]

[REDACTED]

[REDACTED]

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Investigation on 03/27/2000 at [REDACTED] Illinois

File # [REDACTED] ² 194A-SI-50818 ⁸⁹ Date dictated 04/10/2000

by SA [REDACTED]

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- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 07/13/2000

Source, who is not in a position to testify, provided information regarding a computer which was utilized to [REDACTED]
[REDACTED] the federal investigators came into possession of the computer. This computer was utilized by [REDACTED]

Source brought to the attention of the investigator the article appearing in the Springfield 'Journal Register' reference the Illinois State Police investigation into state employees campaigning on state time. Source recommended the Agent interview [REDACTED] Source also suggested the Agent interview [REDACTED] who was with [REDACTED] Source advised that these individuals would have information regarding [REDACTED]
[REDACTED]
obligation of each employee in regards to the amount of money each person should raise, and the amount of time each employee should donate for the political campaign of GEORGE RYAN. Source indicated that [REDACTED]

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BY: *SLM*

Investigation on 06/27/2000 at Springfield, IllinoisFile # [REDACTED] / 194A-SI-50818-90 Date dictated 06/27/2000by SA [REDACTED] /mckb6
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194A-SI-50818
KAA:kaa

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On July 24, 2000, SA [redacted] provided to [redacted]
[redacted] at his office, room [redacted] of the Howlett building [redacted]
containing information he had requested from [redacted] This
information was taken off of a seized computer and concerned the
[redacted]

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JUL 25 2000

BY: [signature]

KAP 20701.3 [signature]

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 07/18/2000

Source, who is in a position to testify, met with the below Agents. Source stated that he/she heard that [REDACTED]

[REDACTED] Source heard this information from [REDACTED]

[REDACTED] Source stated that the Agents may be interested in looking into this matter.

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JUL 31 2000

BY: [REDACTED]

Investigation on 06/29/2000 at Springfield, IllinoisFile # [REDACTED] 194A-SI-50818-93 Date dictated 06/29/2000by SA [REDACTED] SA [REDACTED] KAA/mckb6
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- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 03/31/2000

The following information was provided by a source not in position to testify:

Source advised [redacted] may be the only person that [redacted] the Illinois Secretary of State [redacted] Secretary of State (S.O.S.) GEORGE RYAN. Source stated [redacted] the S.O.S. office.

Source believes that [redacted] would have been the one person that was putting pressure on employees to make campaign contributions. [redacted]

[redacted] Source stated [redacted] were [redacted] They would have all the inside knowledge of [redacted]

Source stated during 1990 RYAN was running against a local Chicago politician named COSENTINO for Secretary of State. COSENTINO was indicted by a federal grand jury and RYAN subsequently won the election. During the campaign source heard RYAN's campaign committee, [redacted]

[redacted] Source heard [redacted] the RYAN campaign, CITIZENS FOR RYAN, [redacted] Source explained that [redacted]

Source stated [redacted]

Source stated SCOTT FAWELL, who was the Chief of Staff for RYAN, [redacted]

Investigation on 03/28/2000 at [redacted]

File # [redacted]

194A-SI-50818-94

Date dictated 03/31/2000

by SA [redacted]

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 07/28/2000

Source, who is in a position to testify, contacted Special Agent (SA) [redacted] regarding information relative to an article which appeared in both the 'Chicago Tribune' and Springfield's 'State Journal Register'. As a result of contact with SA [redacted] SA [redacted] then contacted source later in the evening.

Source advised he/she received a telephone call from [redacted] during the late afternoon hours of that day. Source explained that [redacted] The Agent was aware that [redacted] was in reference to the articles regarding the [redacted] Source stated that [redacted] told him/her that [redacted]

[redacted] Source stated he/she was told by [redacted] Source stated that [redacted]

Source stated that [redacted]

Source stated he/she was taken aback by the information and [redacted]

Source advised he/she would re-contact investigators following any other contacts by [redacted]

194A-SI-50818-95
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 BY: [signature]

Investigation on 07/19/2000 at Springfield, Illinois

File # [redacted] / 194A-SI-50818 -95 Date dictated 07/19/2000

by SA [redacted] SA [redacted] KAA/mck

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 08/04/2000

Source, who is in a position to testify, placed a consensually monitored telephone call to [redacted] who currently resides in [redacted]. On July 24, 2000, Special Agent (SA) [redacted] met with source. Source provided SA [redacted] with the audio tape of that conversation.

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Source advised that [redacted]

[redacted]
[redacted] Source advised that he/she would attempt to re-contact [redacted] for additional conversation.

194A-SI-50818-96

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AUG 09 2000

BY: [redacted]

Investigation on 07/21/2000 at Springfield, IllinoisFile # [redacted] / 194A-SI-50818-96 Date dictated 07/25/2000by SA [redacted] /mckb6
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FEDERAL BUREAU OF INVESTIGATION
FOI/PA
DELETED PAGE INFORMATION SHEET
FOI/PA# 1325658-0

Total Deleted Page(s) = 156

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FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 09/14/2000

To: Springfield

From: Springfield

Squad 4/Headquarters

Contact: SA [redacted] ext. [redacted]

Approved By: [redacted]

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b7C

Drafted By: [redacted]:ral

Case ID #: 194A-SI-50818 (Pending)

Title: GEORGE RYAN;
ET AL
CSLPO - STATE LEVEL

Synopsis: Trip to Chicago.

Details: On August 15, 2000, Special Agent (SA) [redacted] of the Springfield Division accompanied by SA [redacted] with the Internal Revenue Service (IRS) traveled to Chicago, Illinois. The investigators met at the United States Attorney's Office with SA [redacted] with the Chicago Division and [redacted] a revenue investigator with the IRS. The purpose of the meeting was to review records which the Chicago Division possessed regarding campaign matters and to discuss the status of the case.

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The investigators were able to review various documents and copy them and were provided with a CD containing [redacted]. Based on discussions with the investigators, it was thought that the Chicago Division was pursuing what the Springfield Division was investigating regarding a tax violation, only the Chicago Division was investigating it as a fraud matter. As such, it was determined that a continual cooperative effort would need to be conducted in order to avoid any duplication of work.

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194A-SI-50818-97
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BY [signature]

ral 25801.ec [signature]

FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 09/21/2000

To: Springfield

From: Springfield

Squad 4

Contact: SA [redacted] Ext. [redacted]

Approved By: [redacted]

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Drafted By: [redacted]

Case ID #: 194A-SI-50818 (Pending)

Title: GEORGE RYAN;
ET AL;
CSLPO-State
OO:SI

Synopsis: Interviews of ISP personnel

Details: On August 9, 2000, SA [redacted] and SA [redacted]
[redacted] of the Chicago Division interviewed [redacted]
[redacted] All three are employees of the
Illinois State Police. Attached are their 302's.

On August 10, 2000, SA [redacted] and SA [redacted]
[redacted] interviewed [redacted]
All three are associated with the Appellate Prosecutors Office in
Springfield. Attached are their 302's.

Originals of the above 302's along with the appropriate
indexing can be found in the Chicago file; file 194A-CG-107245.

♦♦

194A-SI-50818-98
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SEP 21 2000
BY: [signature]

KAA 26501.EC [signature]

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 08/23/00

[redacted] date of birth [redacted] social security number [redacted]
[redacted] home address [redacted] home telephone
number [redacted] work telephone number [redacted] was interviewed at the offices of
the Illinois State Police (ISP), 124 East Monroe, Springfield, Illinois. After being advised as to
the identity of the interviewing agents and the purpose of the interview, [redacted] provided the
following information:

[redacted] is currently a [redacted] with ISP's Division of Internal
Investigation (DII). In the Fall of 1998 he was a [redacted] assigned to the Public Anti-Corruption
Team, supervised by [redacted] was told by [redacted] that DII
would be investigating allegations that Illinois Secretary of State (SOS) employees worked on
GEORGE RYAN's campaign on state time and with state equipment. [redacted] was given a
copy of some background information.

During the investigation, [redacted] did 8 to 10 interviews, including about 7
interviews of SOS employees. [redacted] from SOS/Office of Inspector General
(SOS/OIG) sat in on the SOS interviews. All of the SOS employees gave the same answers,
saying that they did no campaign work on state time. The answers seemed scripted to
[redacted]

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[redacted] also interviewed [redacted] Last Name
Unknown (LNU) and [redacted] LNU, and [redacted]
[redacted] from ISP participated in these interviews.

At the onset of the investigation, [redacted] explained the ground rules to the
investigators and said that there was a delay. The investigation was "on hold" for several weeks.
[redacted] did not know why, but the rumor was that the investigation was delayed so that SOS
could do its own investigation before ISP started.

[redacted] recalled that ISP was not allowed to serve subpoenas and that ISP
couldn't look at certain SOS computers, but he didn't know why because those decisions were
being made by people outside of the investigative team. The consensus among the investigators
was that "higher-ups" in the ISP chain of command were making those decisions and that they
were getting orders from the governor's office.

Investigation on 08/09/00 at Springfield, Illinois

File # 194A-CG-107245-S-2

Date dictated 08/09/00

SA [redacted]
by SA [redacted] jmh

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- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 08/23/00

[redacted] date of birth [redacted] social security number [redacted]
[redacted] home address [redacted] home telephone [redacted] pager
number [redacted] was interviewed at the offices of the Illinois State Police (ISP), 124 East
Monroe, Springfield, Illinois. After being advised as to the identity of the interviewing agents
and the purpose of the interview, [redacted] provided the following information:

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[redacted] is assigned to ISP's District 10 in Champaign and works general crime.
His cases are primarily homicide/death investigations. He was assigned to help Springfield with
the investigation into allegations that Secretary of State (SOS) employees worked on GEORGE
RYAN's campaign on state time and with state equipment. The investigation was unique in that
the subject of the investigation would potentially be the future boss of those conducting the
investigation. It was not unique in terms of investigative procedures.

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[redacted] gave an initial briefing to the investigators. [redacted]
described the parameters for the investigation: there would be a two-week deadline, SOS
investigators would accompany ISP to interviews of SOS personnel, and no one would be
arrested. There was an initial two to three week delay getting the investigation started while ISP
and SOS engaged in dialogue to determine how the investigation was to be conducted. [redacted]
was partnered with [redacted] and they interviewed people at a SOS warehouse and one
person, [redacted] at the Howlett Building.

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Regarding the parameters, [redacted] stated that the two week deadline was
uncommon but was necessary due to the upcoming election. As to the SOS investigators being
present during SOS personnel interviews, [redacted] stated that it resulted in unproductive
interviews. [redacted] stated that the SOS investigators didn't necessarily participate in the
interviews, "they were just there." [redacted] was allowed to interview a former SOS employee
without having an SOS investigator with him. Regarding the directive that no one would be
arrested in connection with the investigation, [redacted] explained that at the time there were no
prosecutors assigned to the case and so there would not be anyone to pursue any action against
people who might have been arrested. The investigators were told at the initial briefing that ISP
did not have a prosecutor willing to pursue possible charges due to the political nature of the
investigation.

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After [redacted] interview of [redacted] during which [redacted] denied
everything, ISP obtained a document from [redacted] that identified people who were to be

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b7DInvestigation on 08/09/00 at Springfield, IllinoisFile # 194A-CG-107245-S-2Date dictated 08/09/00

by SA [redacted] jmh

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194A-CG-107245-S-2

Continuation of FD-302 of [redacted], On 08/09/00, Page 2

given time off from work in return for their campaign work. [redacted] denied any knowledge of the document but subsequently identified some of the handwriting on the document as [redacted] own. Although [redacted] was recontacted and asked to take a polygraph test, [redacted] did not feel that a complete follow-up was done.

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After his temporary assignment ended, [redacted] did not follow the investigation [redacted] didn't know much more about the investigation as the investigators were not "privy to" certain information.

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 08/21/00

[redacted] date of birth [redacted] social security number [redacted]
 home address [redacted] work telephone number [redacted]
 [redacted] pager number [redacted] was interviewed at the offices of the Illinois State Police (ISP), 124 East Monroe, Springfield, Illinois. After being advised as to the identity of the interviewing agents and the purpose of the interview, [redacted] provided the following information:

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[redacted] is assigned to the ISP's Computer Evidence Recovery (CER) team, which is currently part of the Computer Crimes Unit under the Division of Operations. In 1998, the CER was under the Division of Internal Investigations. [redacted] learned of the investigation into allegations of GEORGE RYAN campaign work being done by Secretary of State (SOS) employees on state time and using state equipment from the case agent, [redacted]. The allegations had already been publicized in the newspaper. [redacted] was told that the CER was to assist the investigation by examining SOS computers and that the investigation [redacted] computers were to be examined within a 10-day time period. The CER team explained to the investigators that it would be impossible to examine that number in that short a time. [redacted] supervisor during the investigation was [redacted].

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At the start of the investigation, [redacted] reached out to SOS to get background on the SOS e-mail system in order to plan the CER approach to the examinations. [redacted] goal was to learn general information about the system so that the CER would have the appropriate equipment and programs when they started their examinations. [redacted] told [redacted] about the contacts he had with SOS personnel, explaining that First Name Unknown [redacted] had told [redacted] that any contacts regarding the investigation would have to come through the SOS Inspector General Office. [redacted] also prepared a memorandum detailing those contacts. [redacted] had never had any prior contact with the individuals named in the memorandum. He was referred to [redacted] at SOS by [redacted] Last Name Unknown (LNU). [redacted] LNU [redacted] and [redacted] reached out to him because he thought [redacted] LNU might know something about the SOS network or know who [redacted] should talk to at SOS.

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[redacted] has been an investigator since [redacted] Based on his experience, [redacted] thought that it would be impossible for ISP to do a thorough investigation due to the

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Investigation on 08/09/00 at Springfield, Illinois

File # 194A-CG-107245-S-2

Date dictated 08/09/00

by SA [redacted] mh

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Continuation of FD-302 of [REDACTED] b6
b7C , On 08/09/00 , Page 2

time limit imposed on the investigators. Due to the short time frame, CER [REDACTED] thought that ISP should have served subpoenas and taken custody of the computers to be searched, and [REDACTED] talked to [REDACTED] about subpoenas. However, no subpoenas for the computers were ever issued. [REDACTED] thought that the "marching orders" for the investigators were coming from the ISP director's office, but [REDACTED] was not sure since he did not participate in the planning meetings.

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[REDACTED] was asked why the computer hard drives weren't backed up for purposes of doing a complete examination. [REDACTED] stated that it would have been impossible to back up all of the computers within the 10 day limit. [REDACTED]

[REDACTED] However, the SOS computers were [REDACTED] The computer belonging to SOS employee [REDACTED] that [REDACTED] asked [REDACTED] stated that [REDACTED] thought that [REDACTED] answer was odd given that [REDACTED] explained that [REDACTED] meant either that [REDACTED] or that [REDACTED] [REDACTED] was unable to determine which of these explanations was more likely based on his brief examination of the computer. When [REDACTED] talked to [REDACTED] about [REDACTED] commented, "You didn't want to find anything, right?"

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While in the SOS office to examine computers, [REDACTED] noticed that some of the SOS employees who were on administrative leave to work on the campaign still had their offices intact, even though the leave was for several months. [REDACTED] was told that the employees on administrative leave had been taken off the SOS network. [REDACTED] recalled one office in particular. The employee was on administrative leave. There were two computers in the employee's office, one behind the desk and one set in a corner. SOS employee [REDACTED] told [REDACTED] that the computer in the corner of the office was the computer assigned to the employee whose office [REDACTED] was in. When [REDACTED] the computer, [REDACTED] He was not allowed to search the computer located behind the desk in the office.

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[REDACTED] that was found on the SOS computers was [REDACTED] This information was found on the computer belonging to [REDACTED]

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194A-CG-107245-S-2

Continuation of FD-302 of [redacted] b6
b7C , On 08/09/00 , Page 3

Everything ISP did in connection with the investigation had to go through [redacted]
[redacted] and [redacted] SOS/Office of Inspector General, who wanted to be included
in everything ISP did. Since the conclusion of the investigation, [redacted] has not had any
contact with SOS personnel. During the investigation, the SOS employees seemed to [redacted]
like they didn't want to get in trouble with their superiors.

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[redacted] was asked if he was aware of a complaint letter that identified [redacted]
[redacted] stated that he was not aware of any such [redacted]
letter.

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[redacted] did not take his complaints about the way the investigation was
handled to anyone higher in his chain of command because he is not one to bypass the normal
channels for such complaints.

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 08/24/00

[redacted] was interviewed at his office, [redacted]
[redacted] After being advised
as to the identity of the interviewing agents and the purpose of
the interview, [redacted] provided the following information:

[redacted] provided the interviewing agents with a copy of
a summary of notes found in his personal calendar relating to the
investigation by Illinois State Police (ISP) into allegations
that campaign work was done by Secretary of State (SOS) workers
on state time and with state equipment.

[redacted] has been the [redacted]
since January, 1992. When the ISP case came to his office,
[redacted] and [redacted]
chose [redacted] and [redacted] because they were experienced
prosecutors. [redacted] also wanted to provide political balance to
the process, as one was a Republican and one was a Democrat.

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While the case was pending, [redacted] received a
telephone call from [redacted] was accusing the
[redacted] of leaking information to the
press. [redacted] was offended by [redacted] accusations. The call was
[redacted] first contact with [redacted]

[redacted] learned that an agreement governing the
investigation had been reached between ISP and SOS/Office of
Inspector General (SOS/OIG). The agreement established
parameters for the investigation, and [redacted] thought that the
agreement was unusual.

[redacted] received a call from [redacted] at the
beginning of the case. [redacted] requested a quick turn-around from
[redacted] told [redacted] "there's nothing there." [redacted]
was concerned about [redacted] statement because [redacted] review of
the ISP file, especially a memorandum written by [redacted]
indicated that there was in fact something there. [redacted] also
noted during his review that it appeared that [redacted]
[redacted] during the time that ISP and SOS/OIG were trying to
work out their agreement as to how the investigation would
proceed. [redacted] was asked how he interpreted [redacted] comment,
and [redacted] stated that he thought the comment was [redacted]

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Investigation on 08/10/00 at Springfield, Illinois

File # 194A-CG-107245-S-2

Date dictated 08/10/00

by SA [redacted] mh

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Continuation of FD-302 of [REDACTED], On 08/10/00, Page 2

opinion of the case and wasn't intended as a directive to the prosecutors.

[REDACTED] recalled a telephone call he received on October 8, 1998, from [REDACTED]. The call was probably in response to a letter from [REDACTED] and [REDACTED] to [REDACTED] in which [REDACTED] were asking that no advance notice of interviews be given to SOS/OIG. [REDACTED] thought that [REDACTED] probably called to assure [REDACTED] that the investigation would be thorough. [REDACTED] questioned [REDACTED] about the agreement reached between ISP and SOS/OIG, but [REDACTED] didn't remember how [REDACTED] responded.

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[REDACTED] was then asked about his contacts with [REDACTED]. [REDACTED] said that he never met with [REDACTED] personally, but did receive a telephone call from [REDACTED]. The call was prompted by [REDACTED].

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[REDACTED] couldn't recall any specific post-investigation discussions he had, but stated that he was sure that the RYAN campaign was relieved by the outcome. [REDACTED] felt that if the outcome had been that his office pursued criminal charges, it could have had an influence on the RYAN/POSHARD election.

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[REDACTED] stated that if people felt that his office did a poor job, he definitely would have heard criticisms from the Democrats that sit on the board for the [REDACTED].

[REDACTED] did not hear any criticism of his office's handling of the case. [REDACTED] recalled that he sent a note on September 20, 1998 to his board notifying them that his office was handling this case. He sent the note due to the sensitive political nature of the case.

[REDACTED] did not impose any limits on the prosecutors. [REDACTED] tried to distance himself from the investigation because he [REDACTED].

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A meeting was held with the ISP investigators to discuss the case. The meeting was unusual in that no one from ISP expressed an opinion as to whether the case should be prosecuted nor offered any recommendations.

[REDACTED] felt that the agreement between ISP and SOS/OIG interfered with the investigation. He was also bothered by the [REDACTED].

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Continuation of FD-302 of [REDACTED], On 08/10/00, Page 3

14-day delay in initiating the ISP investigation while the details of the agreement were being worked out.

[REDACTED] then described an event that occurred while the case was pending that wasn't included in the summary he gave to the interviewing agents. On September 28, 1998, [REDACTED] received a call from [REDACTED]

[REDACTED] has known [REDACTED] for years and knows that [REDACTED] was close to RYAN. [REDACTED] told [REDACTED] that he wanted to know if [REDACTED] had asked ISP to interview additional people at SOS or if ISP had decided on its own to do additional interviews. The conversation didn't strike [REDACTED] as unusual. [REDACTED] told [REDACTED] that most investigations require additional interviews before a decision can be reached about prosecuting a case. [REDACTED] told [REDACTED] that he [REDACTED] would like to see an early conclusion to the case.

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- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 08/24/00

[redacted]
work address, [redacted] work telephone number [redacted]
[redacted] was interviewed at his office. After being advised as to the identity of the
interviewing agents and the purpose of the interview, [redacted] provided the following
information:

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[redacted] has a copy of a 4-volume file that was delivered to [redacted]
[redacted] by Illinois State Police (ISP) in connection with ISP's investigation into
allegations that Secretary of State (SOS) employees were doing campaign work on state time and
with state equipment. ISP delivered two sets of the file, the other going to [redacted]
[redacted] does not have any original evidence associated with the investigation.

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The investigation was prompted by a complaint from [redacted]
[redacted] who alleged that there was unauthorized use of a state
fax machine and that state employees were given time off for working at 1996 Republican
events. ISP had entered into an agreement with SOS/Office of Inspector General (SOS/OIG)
that ISP and SOS/OIG would work the investigation side by side.

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[redacted] was asked his opinion about whether the case was worthy of
prosecution. [redacted] stated that the investigation showed that [redacted]
would get workers from a SOS warehouse with the help of [redacted]
provided the names to [redacted] The agreement was for those workers to get time off during
the week for weekend campaign work. [redacted] never saw any handwritten notes obtained
during the course of the investigation. [redacted] stated that he thought [redacted] had said
that he kept a notepad on his desk on which the workers were listed. [redacted] denied
everything, but [redacted] was represented by two
attorneys during the course of the investigation: First Name Unknown [redacted] and [redacted]
[redacted]

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[redacted] was asked why the Appellate Prosecutors didn't pursue a
prosecution. [redacted] stated that ISP wanted to prosecute, especially [redacted]
[redacted] However, because the amount
of worker time they were able to prove was insignificant, the Appellate Prosecutors
recommended suspensions and restitution only.

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b7CInvestigation on 08/10/00 at Springfield, IllinoisFile # 194A-CG-107245-S-2 Date dictated 08/10/00

by SA [redacted] jmh

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194A-CG-107245-S-2

Continuation of FD-302 of [redacted] b6 b7C , On 08/10/00 , Page 2

Regarding subpoenas associated with the case, [redacted] stated that [redacted] was more involved in the day-to-day issues of the investigation because [redacted] was busy with a murder trial. [redacted] and [redacted] A subpoena was served on [redacted] but [redacted] [redacted] [redacted] [redacted] A meeting was held as a result, [redacted] [redacted] the prosecutors and perhaps [redacted] were present at the meeting.

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At some point in the investigation, [redacted] and [redacted] disagreed with respect to the requested items. [redacted] wanted to be able to justify to [redacted] why all of the items were requested.

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When asked about ISP's search of SOS computers, [redacted] stated that [redacted] and other SOS personnel stonewalled ISP's efforts. [redacted] was then asked if there was any pressure put on [redacted] in connection with the case. [redacted] stated that the acting ISP Director GENE MARLIN told [redacted] that he (MARLIN) wanted the investigation done in 10 days. [redacted] was upset by MARLIN's request. [redacted] thought that ISP had first gone to the State's Attorney and the Attorney General and that both declined to prosecute the matter. The case ended up being assigned to the Appellate Prosecutors due to political conflicts. The 10-day limit imposed by MARLIN seemed to be politically motivated. The assignment of [redacted] and [redacted] to the case was also political, since one is a Republican and one is a Democrat.

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[redacted] reviewed the file provided by ISP and discussed the case with [redacted] They determined that additional investigative work needed to be done to make a decision about prosecuting. That's when [redacted] got upset with the investigation.

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The investigation was compromised from the beginning because ISP was unable to interview SOS personnel without having SOS/OIG present. [redacted] and [redacted] sent a letter to [redacted] which [redacted] thought prompted a call from [redacted] to [redacted] [redacted] was upset that limits had been imposed on the investigation.

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[redacted] initial impression of the allegations that led to the investigation was that they were a campaign tactic aimed at making RYAN appear dirty and that [redacted] [redacted] wanted ISP to find something before the pending election.

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194A-CG-107245-S-2

Continuation of FD-302 of _____, On 08/10/00, Page 3

_____ did not have any dealings with _____ or _____ the SOS/OIG investigators assigned to the case. During the investigation, _____ gave the prosecutors personnel records of certain SOS employees and suggested that the prosecutors review the records to see just who their witnesses were. _____ provided personnel records of _____ and First Name Unknown _____

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_____ recalled that the investigation indicated that _____ the time off scheme. _____ refused to take a polygraph and declined an offer of limited immunity in return for _____ cooperation. _____ wrote an undated memorandum regarding _____ which was given to _____ by _____. _____ did not know why the prosecutors did not compel _____ to testify. _____ didn't think that _____ was truly _____ of the scheme, but the prosecutors didn't pursue pressuring _____ to identify others involved in the time off scheme. _____ stated, "We just didn't do it."

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_____ did not know who paid _____ attorney's fees. _____ does not know _____ first attorney, _____. The prosecutors dealt with _____ with respect to the polygraph, which _____ advised _____ to refuse. When _____ was contacted again regarding _____ referred the prosecutors to _____

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_____ subsequently told _____ that the prosecutors' disciplinary recommendation had been followed prior to the time _____ left SOS. _____ has known _____ for many years through the governor's office and has had numerous dealings with her. During conversations with _____ about evidence requests, _____ offered to provide personnel records so that ISP and the prosecutors would "know" their witnesses.

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The agreement governing the investigation was worked out between the heads of ISP and SOS/OIG. They agreed that SOS/OIG would be given advance notice of SOS interviews and that SOS/OIG would be present for those interviews. The agreement obstructed the investigation because SOS/OIG knew everything that was to be done by ISP.

At the time of the investigation, the case was dropped because of frustration with the investigation. Looking back _____ thought that it would have made sense to push _____ to gather additional information about the time off scheme and to find out others, if any, who were involved.

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Continuation of FD-302 of [redacted], On 08/10/00, Page 4

[redacted] provided the interviewing agents with handwritten notes he made during his review of the ISP file and copies of the recommendation letter from the prosecutors to [redacted] and the [redacted] memo about [redacted]

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 08/24/00

[redacted] was interviewed at the office of the State's Attorneys Appellate Prosecutors office, 725 South Second Street, Springfield, Illinois 62704. After being advised as to the identity of the interviewing agents and the purpose of the interview, [redacted] provided the following information:

During the Illinois State Police (ISP) investigation into allegations regarding the Secretary of State (SOS) office, subpoenas were never issued. SOS was given the opportunity to voluntarily produce items requested by ISP. Once it became apparent that voluntary compliance wasn't going to work, the prosecutors talked about subpoenas, but [redacted] fought the issuing of subpoenas and none were ever served on SOS.

The ISP investigation was flawed from the start, and the hierarchy at ISP was at fault. There was collusion between those in control at ISP and the Governor's office.

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Regarding [redacted] stated that if she had been called to the Grand Jury, she would have either asserted her fifth amendment right or else taken the fall for others at SOS. ISP and the prosecutors had no leverage with which to gain her cooperation.

The prosecutors final recommendation was for internal discipline of the SOS employees involved in the time off scheme. [redacted] followed up to check on the results of their recommendation and learned that two SOS employees had been disciplined.

[redacted] stated that if the ISP investigation had been done discreetly and without advance notice to the interviewees, it probably would have ended with a different result.

[redacted] was present in [redacted] office when [redacted] got a call from [redacted] was accusing [redacted] of leaking information to the press. [redacted] was told that [redacted] also received a call from [redacted] who called to ask about the status of the case. [redacted] thought that the call from [redacted] was improper given the subject matter of the investigation.

Investigation on 08/10/00 at Springfield, Illinois

File # 194A-CG-107245-S-2

Date dictated 08/10/00

by SA [redacted] mh

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194A-CG-107245-S-2

Continuation of FD-302 of [REDACTED], On 08/10/00, Page 2

[REDACTED] thought that the most obstructive incident occurring during the investigation was a memorandum prepared by [REDACTED] regarding [REDACTED]
[REDACTED]

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 09/14/2000

Source, who is in a position to testify, met with the below Agent. Source provided an audio cassette tape to the Agent containing a telephonic conversation between source and [REDACTED]. Source did not put the date of the telephone call on the cassette, however source recalled that it seemed to have been recorded on [REDACTED]. In addition, contained on that cassette tape was [REDACTED]. Source explained that he/she was unable to locate the recording equipment in time to record this conversation.

Source stated that he/she overheard a conversation in which it was indicated that [REDACTED].

Source heard that [REDACTED].

Source [REDACTED] who had also heard this same information. Source suggested that the Agent interview [REDACTED] about this, as well as about other information. Source also provided information which indicated that [REDACTED] GEORGE RYAN's office when RYAN became Governor.

Source also heard that [REDACTED] the SOS. Source was asked to attempt to obtain additional information regarding the above.

194A-SI-50818-99
RECEIVED
SEP 22 2000
BY: [REDACTED]

Investigation on 08/23/2000 at Springfield, Illinois

File # [REDACTED] / 194A-SI-50818-99 Date dictated 08/30/2000

by SA [REDACTED] KAA/mck

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- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 09/21/2000

Source, who is in a position to testify, provided the following information:

It is common knowledge in [redacted] that [redacted]

[redacted] Source believes that police and law enforcement are being paid-off to ignore the illegal activity. To get to [redacted]

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[redacted] associates with [redacted]

and [redacted]

194A-SI-50818-100

RECEIVED
SEP 25 2000

BY: RRS/DA

tw 26402, 302 AMD

Investigation on 09/20/2000 at [redacted] Illinois

File # 281A-SI-NEW ⁵¹²³³⁻³ 194A-SI-50818-100 ⁴ Date dictated 09/21/2000

by SA [redacted]
SSRA [redacted]

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FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 09/29/2000

To: Springfield

From: Springfield

Squad 4 / Headquarters

Contact: SA [REDACTED]

Approved By: [REDACTED]

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Drafted By: [REDACTED]:mck

Case ID #: 194A-SI-50818 (P)

Title: GEORGE RYAN;
ET AL;
CSLPO - STATE LEVEL

Synopsis: To report discovery of records re captioned matter.

Details: On 09/25/2000, SA [REDACTED] was notified by SA [REDACTED] of the Chicago Division that approximately five boxes of records were located following his interview of [REDACTED] at Driver's Services. SA [REDACTED] indicated that these boxes were being maintained at the office of [REDACTED] for Illinois Secretary of State. As such, SA [REDACTED] reached out for [REDACTED] and met with him on 09/27/2000.

[REDACTED] indicated to SA [REDACTED] that there were several other boxes and miscellaneous documents which were located in a storage/maintenance area adjacent to the area where [REDACTED] and [REDACTED] worked. [REDACTED] explained that this was brought to his attention by [REDACTED] Physical Services.

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SA [REDACTED] accompanied [REDACTED] to [REDACTED] office and met with [REDACTED] indicated his willingness to cooperate with the federal government in any way possible, and consented to [REDACTED] and SA [REDACTED] taking control of the boxes in the storage unit. These boxes were actually located behind Room 192 of the Howlett Building, which is a room containing several offices separate from it.

SA [REDACTED] and [REDACTED] then located several boxes marked "Ryan Administration" and other documents relating to the leasing of 1800 East Adams. These items were secured and placed in [REDACTED] office until such time as the investigators could review them.

194A-SI-50818-101

OCT 12 2000

BY: [REDACTED]

mcl 27304.EC [REDACTED]

To: Springfield From: Springfield
Re: 194A-SI-50818, 09/29/2000

SA [] did have the opportunity to review one of the boxes, and extracted various communications concerning campaign and leasing matters. In addition, SA [] secured original documents relevant to the lease of 1800 East Adams along with a handwritten document reflecting campaign ticket sales to various trade entities with the Secretary of State's office.

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SA [] was also provided two folders containing materials found in the Parking Division. At the time these were obtained, the Agent did not have time to review them. As such, these materials were maintained in [] office pending review. ♦♦

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/11/2000

On October 4, 2000, SA [] and SA []
[] of the Chicago division met with []
[] for the Secretary of State. [] allowed the
investigators to review numerous boxes of documents previously
secured in his office. SA [] had previously reviewed documents
and took custody of some on September 28, 2000. *8/12*

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Based on the review, various documents were taken into
possession by the investigating agents. [] was supplied a
receipt for the documents and copies of what was taken. The
receipt will be placed in a 1a envelope.

RECEIVED
OCT 12 2000
BY: *S. S. M.*

Investigation on 10/11/00 at Springfield, Ill.File # 194D-SI-50818 -102 Date dictated 10/04/00

by []

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b7CKAA 24501.30 *BO*

194A-SI-50818
KAA:kaa

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On October 16, 2000, SA [] spoke with SA [] with the Chicago division. [] advised that he is the agent involved in the [] investigation. [] also advised that proper authority was obtained allowing [] to take part in consensually monitored recordings. This authority was granted for the [] case and 194A-SI-50818. Agent [] can be reached at []

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Ex 122

194A-SI-50818 - 103
RECEIVED
OCT 17 2000
BY: *SLP*

KAA 29101.125 26

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/16/2000

A computer analysis was conducted by Computer Specialist (CS) [redacted] Springfield Division, COMPUTER ANALYSIS RESPONSE TEAM (CART) Field Examiner (FE) for the FEDERAL BUREAU OF INVESTIGATION (FBI). The examination was conducted using tools and techniques currently available to the CART LABORATORY, located in Washington, DC.

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Specimen Description

- D1 One (1) IBM Personal Computer 300PL (Pentium III processor, 450 megahertz computer, serial number (S/N) 23A111T, Model Type 6862-V1U, State of Illinois Secretary of State ID #0111551, Maxtor Hard Disk Drive (HDD), Model 90650U2, 6449MB, S/N C20HH80C).
- D2 One (1) IBM Personal Computer 300PL (Pentium MMX processor, 166 megahertz computer, serial number (S/N) 23VYYP6, Model Type 6862-46U, State of Illinois Secretary of State ID #0108544, Western Digital HDD, Model Caviar 22500, 2559.8MB, S/N WT3496746074)



D1 and D2 were returned to the Evidence Control Technician. [redacted] from D1 and D2 were also returned to the Evidence Control Technician.

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[redacted] containing examination results were given to SA [redacted] for his analysis.

A0\CI 29402.202

Investigation on 10/16/2000 at Springfield, IL

OCT 20 2000

File # 194A-SI-50818 -104Date dictated 10/16/2000by CS [redacted]:cl [signature] b6
b7C

(01/26/1998)

FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 10/16/2000

To: Laboratory

Attn: CART Field Operations &
Training Unit, Room FS214
SSA [REDACTED]
SA [REDACTED]

Springfield

From: Springfield
SSU#1

Contact: CS [REDACTED]

Approved By: [REDACTED] *cl*

Drafted By: [REDACTED]

:cl *cl*

Case ID #: 194A-SI-50818
66-HQ-C1155003
66F-SI-50610

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Title: GEORGE RYAN;
[REDACTED];
et al;
CSLPO- State

Synopsis: Cover lead.

Details: The two (2) CPUs provided by SA [REDACTED] were
processed and the results [REDACTED]

[REDACTED]
[REDACTED] For his analysis, SA [REDACTED] was provided [REDACTED]
[REDACTED] containing the results of the
CART examination.

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194A-SI-50818-105
RECEIVED
OCT 20 2000
BY: _____

C129401 *cl*

FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 09/22/2000

To: Springfield

From: Springfield

Approved By: [REDACTED] *PGA*

b6
b7C

Drafted By: [REDACTED]

Case ID #: 194A-SI-50818 (Pending)

Title: GEORGE RYAN, Et Al -
CSLPO - STATE LEVEL

Synopsis: Request for purchase of covert body recording equipment.

Details: Captioned investigation targets high-level corruption in the Illinois state government.

Extensive consensual monitoring is anticipated on this case. Due to the necessity for concealability and extended recording length, digital recorders are needed. Springfield's supply of these recorders is not sufficient to allow two digital recorders to be dedicated to this case.

Contact was made with Program Manger [REDACTED] Quantico ERF. [REDACTED] advised that his program does not currently have a sufficient supply of digital recorders, and will not be able to provide Springfield with two additional units. [REDACTED] recommended purchase of two [REDACTED] digital recorders.

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It is requested that purchase of two of these recorders

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TM 626601.EC

194A-SI-50818

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SEP 22 2000

BY:.....

194A-SI-S0818-109

RECEIVED

OCT 26 2000

146 BY: SLM

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 09/29/2000

[redacted] was interviewed at the office of [redacted] attorney, [redacted] by the below Agent accompanied by Internal Revenue Service (IRS) Special Agent (SA) [redacted]. Prior to the meeting, SA [redacted]

[redacted] Assistant
United States Attorney (AUSA) [redacted]
[redacted]
[redacted]

[redacted] advised that [redacted] is currently employed as an [redacted] with [redacted]. [redacted] has been so employed for approximately [redacted] and [redacted] supervisor is [redacted]. Prior to employment with [redacted] [redacted] worked [redacted] as well as for [redacted]

[redacted] was asked to describe [redacted] work regarding campaign matters. [redacted] advised that [redacted]

[redacted] stated that [redacted] got this job through a friend, [redacted] who also worked [redacted] [redacted] advised that [redacted] worked [redacted] and usually worked anywhere from [redacted] hours per week. [redacted] advised that the physical location of [redacted] was [redacted] next to [redacted] near [redacted]

[redacted] stated [redacted] supervisor was [redacted] and that [redacted] also worked at [redacted] [redacted] stated [redacted]

[redacted] was asked who else worked for [redacted] [redacted] stated that a female by the name of [redacted] (Last Name Unknown - LNU) worked there [redacted] described [redacted] (LNU) as [redacted] Also working at [redacted] was [redacted] as a [redacted] employee, and Governor GEORGE RYAN [redacted] [redacted] also worked [redacted]

MCK 27303.302 *mb*

Investigation on 09/25/2000 at Springfield, Illinois

File # 194A-SI-50818

Date dictated 09/25/2000

by SA [redacted] /mck [redacted] b6 b7C

FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 11/02/2000

To: Springfield

Attn: ECT

SA

From: Springfield

Squad 6 Effingham RA

Contact: SA

Approved By:

Drafted By:

tew TEW

Case ID #: 194A-SI-50818 (Pending)

Title: GEORGE RYAN;

ET AL;

CSLPO - STATE LEVEL

Synopsis: Late submission of evidence.

Details: On June 6, 2000, the Effingham RA collected documents pertaining to the captioned matter for SA [REDACTED]. The documents were receipted on an FD-597 and stored at Effingham RA pending transport to Springfield. The documents were taken to Springfield on 10/31/2000.

An FD-192 was not submitted in a timely manner due to an oversight by SA [REDACTED].

♦♦

(X)
TEW

NSS

TEW30701.EC

NOV 3 2000

194A-SI-50818-110

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 11/06/2000

[redacted] were met at their residence by the below agents. [redacted] were advised of the identity of the agents and the nature of the contact. [redacted] had previously agreed to meet with the agents in regards to contacting [redacted]

Attempts were made to contact [redacted] which proved negative. [redacted] reiterated information which had previously been provided to investigators. [redacted] also stated that [redacted] told [redacted] that [redacted] who works for the state, was attempting to take comp time. When [redacted] tried to take the time, [redacted] was told that the only way [redacted] could was to work the political phone banks or sell campaign tickets. [redacted] did not know anything more about this.

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b7DRECEIVED
NOV 7 2000BY: SLMInvestigation on 10/30/00 at Springfield, IllinoisFile # 194A-SI-50818 -111 Date dictated 11/06/00by [redacted] b6
b7CKAA31101.302 SL

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 11/01/2000

Source, who is in a position to testify, met with the below Agent in [] Illinois. Source accompanied the Agent to meet with [] and []

[] and [] in [] These individuals were familiar with source and as a result were interviewed by the below Agent. These interviews will be captured on the appropriate documentation.

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Source then traveled to [] Illinois, with the Agent and met with [] in [] Source was familiar with [] and as such, the Agent then interviewed [] Again, this interview will be captured on the appropriate paperwork.

194A-SI-50818-112
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NOV 6 2000
BY: *SLM*

Investigation on 10/26/2000 at [] Illinois

File # [] / 194A-SI-50818-112 Date dictated 10/26/2000

by SA [] /mck

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mc 32103.302bb

194AS1-50818-113

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NOV 20 2000

bb BY: _____

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 11/16/2000

[redacted] was telephonically contacted at [redacted] place of employment, [redacted] Office of the Secretary of State (SOS). [redacted] was advised of the identity of the interviewing Agent and the nature of the contact. [redacted] provided the following information:

[redacted] advised that [redacted] has been in state government for more than [redacted]. As such, [redacted] advised that [redacted] has a lot of information regarding the parties involved in Illinois government, but advised that [redacted] would have to contact [redacted] before [redacted] could formally meet with the Agent. [redacted] however, did provide some general information.

[redacted] stated that the Agent would probably be very interested in [redacted]

[redacted] are now employed with [redacted]

[redacted] also advised that [redacted] would be an individual with whom the Agent might wish to speak, as [redacted] would have insider information and information on SCOTT FAWELL. [redacted] described FAWELL as Chief of Staff and advised that [redacted] is politically involved. [redacted] advised that [redacted] and [redacted] is [redacted]

[redacted] advised that [redacted] for Governor GEORGE RYAN and would be very knowledgeable. [redacted] advised that [redacted] met [redacted] and Governor RYAN during [redacted] in [redacted]

[redacted] advised that [redacted] was known as a [redacted]

This money would then be presented to the appropriate candidate and [redacted] would present it as if it were [redacted] own contribution. [redacted] said sometimes [redacted] but that did not matter.

Investigation on 09/11, 11/08-9/2000 at Springfield, Illinois (Telephonic)

File # 194A-SI-50818

Date dictated 11/09/2000

by SA [redacted] /mck

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On November 7, 2000, Special Agent (SA) [] telephonically contacted [] at []. The Agent had previously obtained information that [] worked for the Secretary of State (SOS) []. The Agent was told that [] was an honest individual and would have information regarding wrongdoing in the [].

Upon contact, [] advised that [] would speak to the Agent, but could not, because of a memo sent out by [] which stated employees had to notify [] or [] before talking. If this was not done, the employee would be disciplined. [] stated that [] and [] could not afford to lose [] job.

The Agent asked [] if [] could obtain a copy of this memo and if the Agent could meet with [] on November 10, 2000, in order to pick up the memo. [] was also asked to keep the telephone call between [] and the Agent. [] agreed to meet with the Agent on Friday, November 10, 2000.

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On November 08, 2000, SA [] learned that [] had contacted the Springfield Division of the FBI in order to determine if SA [] was indeed a Special Agent. [] made reference to the Agent's contact with [] and wanted to make sure it was a legitimate contact. [] indicated that [] did not want to meet with the Agent, nor be contacted in the future.

On the evening of November 08, 2000, SA [] again telephonically contacted [] and advised [] that the Agent would not be coming by to pick up the memo. [] was reminded that [] had the pager number and a telephone number for the Agent should [] decide [] wanted to talk with the Agent.

194A-SI-50818-114

RECEIVED
NOV 20 2000

BY: []

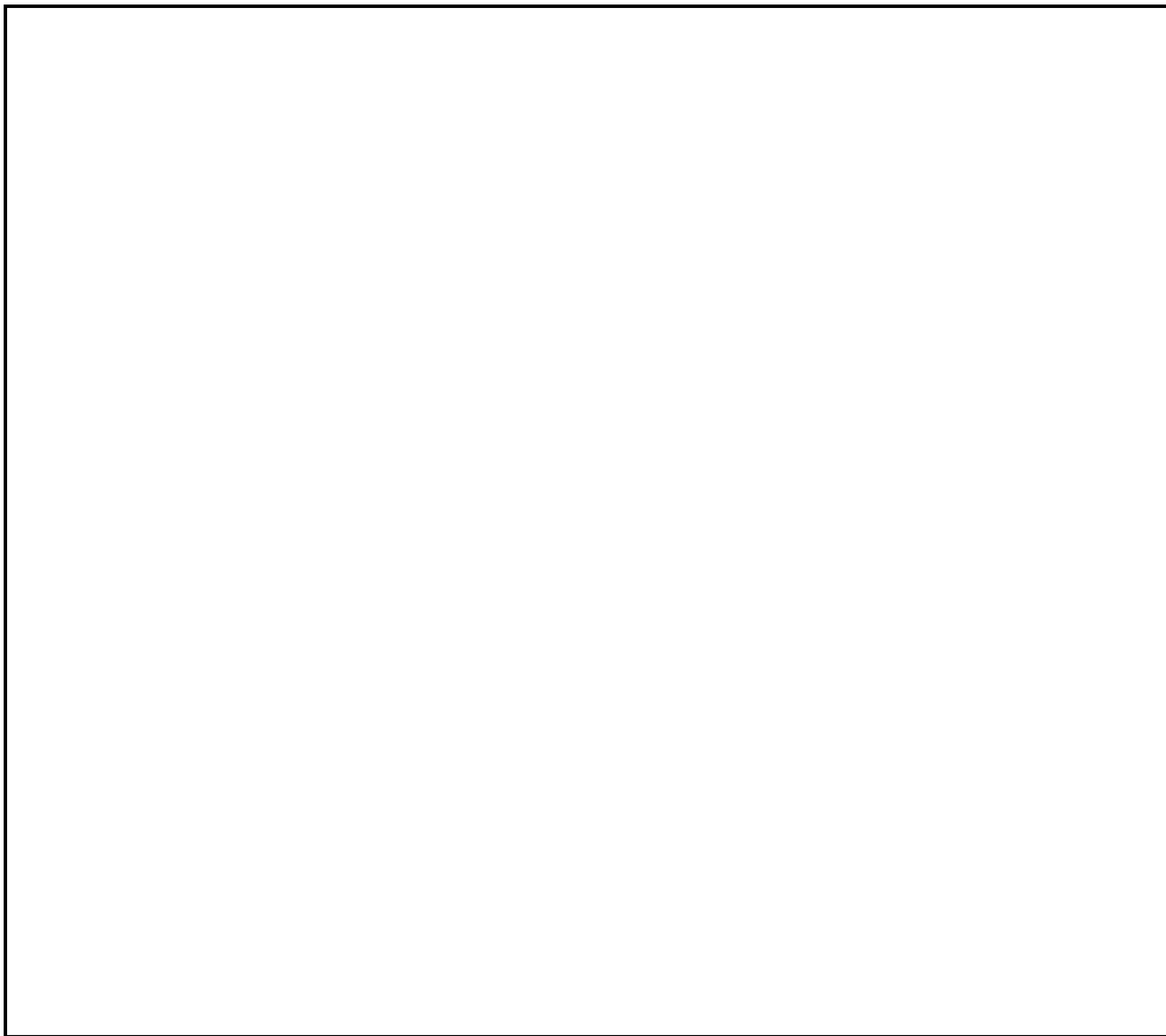
mx 32102. INSA []

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 12/12/2000

Special Agent (SA) Federal Bureau of Investigation (FBI), Chicago Division, Computer Analysis Response Team (CART) Field Examiner (FE), conducted the following computer examination using tools and techniques currently available to the FBI CART Laboratory:

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Investigation on 12/12/2000 at Chicago, ILFile # 194A-SI-50818 - 115Date dictated 12/12/2000by SA b6
b7C**RECEIVED**
DEC 13 2005

34775602.302

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

194A-SI-50818

Continuation of FD-302 of _____, On 12/12/2000, Page 2

[REDACTED]

All notes and examination worksheets were placed into a 1A envelope. [REDACTED] b7E

[REDACTED]

[REDACTED] was provided to the case agent for review.

(12/31/1995)

FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 12/12/2000

To: Springfield

Attn: SA [REDACTED]

From: Chicago

Squad IP/C

Contact: SA [REDACTED]

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b7C

Approved By: [REDACTED] *RSB* *A/SRB*

Drafted By: [REDACTED]:tsl *OSZ*

Case ID #: 194A-SI-50818 (Pending) -116

Title: SAFE ROAD

COMPUTER ANALYSIS RESPONSE TEAM (CART),
FIELD EXAMINER OPERATIONS

Synopsis: Report additional findings from computer forensics examinations.

Enclosures:

For Springfield:

1. a 1A envelope containing examination notes
2. an original and a copy of an FD-302 documenting the examination
3. a 1A envelope with 1 Compact Disk Recordable (CDR) media containing results of examination

Details:

[REDACTED] was
examined [REDACTED]

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A compact disk recordable was created and contains [REDACTED]
[REDACTED] during the examination which are relevant to the
captioned investigation. The CD-R includes [REDACTED]

A copy of the CDR and the FD302 generated during the examination were provided to the Assistant United States Attorney for review. [REDACTED] generated during the examination was placed into Chicago Division evidence control. The compact disk recordable (CDR) media created during the examination was provided to the Springfield Division case agent. Printed material can be reproduced by Springfield from the CDR. The original evidence was placed into Chicago Division evidence

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OCT 18 2005

194A-SI-50818-116 BY: *L. West*

To: Springfield
Re: 194A-SI-50818, 12/12/2000

From: Chicago

control.

The Chicago Division is in the process of reviewing [REDACTED]

[REDACTED]
and will require several months to review.

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A request is made for the Springfield division to set a
new lead for the Chicago Division to review [REDACTED]
[REDACTED]

♦♦

FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 11/21/2000

To: Springfield

From: Springfield

Squad 4/Headquarters

Contact: SA [redacted] ext. [redacted]

Approved By: [redacted]

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Drafted By: [redacted]:ral

Case ID #: 194A-SI-50818 (Pending)

Title: GEORGE RYAN;
ET AL
CSLPO-STATE

Synopsis: Contacts with Assistant United States Attorney (AUSA)

Administrative: Re Investigative Insert dated 11/7/2000.

Details: On 11/15/2000, SA [redacted] was contacted by AUSA [redacted] of Chicago. AUSA [redacted] had been advised of the Agent's attempts to contact an employee of the Secretary of States Office and the contacts of [redacted] with the Springfield Division of the FBI. AUSA [redacted] was very concerned about the memo alluded to in the Agent's contact with the employee and wanted to follow up on it.

As such, a conference call was conducted between the AUSA, SA [redacted] and [redacted] was apprised of the situation and did not have any difficulty with reaching out to contact [redacted] regarding the situation.

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As such AUSA [redacted] contacted [redacted] and then connected the call with SA [redacted] in order to conduct a conference call. AUSA [redacted] advised [redacted] that he was aware of the situation between the Agent attempting to contact an employee and the subsequent results. [redacted] advised that the employee had come to him and advised that an FBI Agent had contacted [redacted] and wanted to talk to [redacted]. This employee advised that [redacted] did not want to talk and [redacted] said the Agent told them that [redacted] would have to talk. [redacted] explained that he was concerned that the call might be a crank call and as such reached out to the SAC of the Springfield Division to verify that the Agent was who the Agent claimed to be.

194A-SI-50818-117

DEC 11 2000

BY: [redacted]

ral 32601.ec [redacted]

To: Springfield From: Springfield
Re: 194A-SI-50818, 11/21/2000

AUSA [] then asked [] if he was aware of any written document or policy that would prohibit an employee from speaking with the media and/or investigators. [] advised that he was unaware of any such policy. AUSA [] then rephrased the question and again [] denied knowing of any such policy.

[] then stated that he knew of a policy whereby the Secretary of State Police personnel were obligated to notify superiors in the event that they were involved in criminal activity.

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On 11/16/2000, AUSA [] again reached out for the Agent. [] advised that [] had left a voice mail for him indicating that [] wanted to talk to him. AUSA [] again recontacted the Agent and advised that [] did contact him and stated that he had been reviewing the personnel manual. In that manual, [] referred to a memo written by [] indicating that if any personnel should be contacted by investigators they should cooperate fully. [] then told AUSA [] that he would encourage the employee to speak with the Agent. [] then suggested that the Agent reach out for [] who can be reached at []

On 11/16/2000, the Agent attempted to contact [] and was advised that he would be out of town until Monday.

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194A-SI-50818-118

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NOV 29 2000

BY:  _____

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/31/2000

A person who requests to remain anonymous provided the following information to the below Agents.

He/she stated that [redacted] and [redacted] were very closely associated with one another and Governor GEORGE RYAN. He/she stated that [redacted]

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b7DInvestigation on 10/19/2000 at Springfield, IllinoisFile # 194A-SI-50818Date dictated 10/19/2000by SA [redacted] /caf b6
SA [redacted] b7C

194A-SI-50818
KAA:mck

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On November 16, 2000, at approximately 6:30 p.m.,
Special Agent (SA) [redacted] contacted Assistant United
States Attorney (AUSA) [redacted] AUSA [redacted] was advised
of the servings of the subpoenas to [redacted] and the response
given to the investigating Agents by [redacted]

On November 17, 2000, AUSA [redacted] contacted SA [redacted]
and advised that he had been contacted by [redacted] attorney.

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194A-SI-50818-119

DEC 18 2000

BY: [signature]

mck 33603, INS [signature]

FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 12/11/2000

To: Springfield

From: Springfield
Squad 4

Contact: SA [REDACTED]

Approved By: [REDACTED]

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b7C

Drafted By: [REDACTED]:elj

Case ID #: 194A-SI-50818

Title: GEORGE RYAN;
ET AL
CSLPO - STATE

Synopsis: Review of [REDACTED]

Details: On 12/4/2000 SA [REDACTED] met with [REDACTED] in Champaign, Illinois. Prior to the meeting [REDACTED] was put on the Federal Grand Jury list out of the Northern District of Illinois. As a result [REDACTED] was authorized to review [REDACTED] obtained via Grand Jury subpoena regarding [REDACTED]
[REDACTED]

✓

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The agent provided to [REDACTED]

[REDACTED]

194A-SI-50818-120

RECEIVED
DEC 13 2000

BY: [REDACTED]

ELJ 34605. EC [REDACTED]

To: Springfield From: Springfield
Re: 194A-SI-50818, 12/11/2000

LEAD(s) :

Set Lead 1:

SPRINGFIELD

AT CHAMPAIGN, ILLINOIS

[redacted] continue to review
[redacted] provided by SA [redacted]
[redacted]

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 12/22/2000

[redacted] met with the below Agent at [redacted] residence. [redacted] was familiar with the Agent and provided the following information:

[redacted] indicated [redacted] had made several attempts to contact [redacted] telephonically. These attempts were consensually recorded by [redacted] had agreed to contact [redacted] at approximately [redacted] and as such, a consensually recorded telephone call was placed. Following this call, it was agreed that [redacted] would re-contact [redacted] on [redacted] at approximately [redacted] was provided with [redacted] home telephone number, [redacted]

On [redacted] the Agent again met with [redacted] at [redacted] residence. A consensually recorded telephone call was placed to [redacted] at [redacted] residence.

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Mey 35705, 302 AL


Investigation on [redacted] at Springfield, IllinoisFile # 194A-SI-50818-121 Date dictated 11/15/2000

by SA [redacted] /mck

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194A-SI-50818-122

JAN 04 2001

BY: 

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 12/22/2000

[redacted] was met at [redacted] residence by the below Agent. [redacted] was familiar with the Agent and provided the following information:

[redacted] advised that when an employee applied for a state job, there was different criteria as to whether the applicant was from the area, meaning Illinois, and/or from out-of-state. [redacted] stated an applicant from outside the state would have to obtain a grade of an A, while a person residing within the state might still receive the same job if they received the grade of C.

[redacted] advised that in [redacted] particular situation, [redacted] was attempting to get a job with [redacted]. [redacted] advised that the names of those who would get jobs were provided by precinct committeemen, then that person would get an interview and the job.

As another example, [redacted] was attempting to obtain a job [redacted] was told by [redacted] that [redacted] needed to call [redacted] precinct committeeman and ask him to "sponsor" [redacted] for the job. This was around [redacted]. [redacted] called the precinct committeeman, then received a call to show up at Personnel for an interview. [redacted] stated [redacted] spoke with an individual named [redacted] (Last Name Unknown - LNU) who began asking [redacted] very generic questions. Based solely on those questions, [redacted] (LNU) commented that [redacted]. This happened when [redacted] was attempting to [redacted].

[redacted] stated that [redacted] worked with the Secretary of State (SOS) in the [redacted] at [redacted] in Springfield, Illinois. [redacted] advised that [redacted] might talk to the Agent and that at one time, [redacted]. [redacted] stated that it was known that state employees had to contribute 1% of their salary, which was usually done through the purchase of campaign-raising tickets. These tickets were provided to the directors of various

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max 35706.302
Investigation on 11/09/2000 at Springfield, Illinois

File # 194A-SI-50818Date dictated 11/15/2000

by SA [redacted]

/mck

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194A-SI-50818

Continuation of FD-302 of [REDACTED]

, On 11/09/2000 , Page 2

departments, filtered down to the managers, to the supervisors, and ultimately to the employees. [REDACTED] indicated that each employee would receive at least two tickets and that if an employee wanted to purchase additional tickets, they could request more.

[REDACTED] indicated that the Merit Pay, which would be given to employees, was also based on the amount of tickets sold or purchased and/or the number of hours given to campaign-related matters. [REDACTED] stated if an employee was a union member, that employee would receive a certain percentage; however, for other employees, percentages were rated on their involvement. If an employee was a very good worker, yet was not politically active, that employee would receive 3%, while someone who was not very productive, but was actively campaigning, would receive 7%.

[REDACTED] indicated that [REDACTED] and overhears their conversations. [REDACTED] recently overheard a conversation wherein [REDACTED] was involved in the use of a state vehicle for personal use. [REDACTED] also heard [REDACTED] discuss the misuse of state-owned vehicles. These employees work at the facility off of [REDACTED]

[REDACTED] related an incident which occurred in the early 1990's. This was when GEORGE RYAN was elected for a second term as Secretary of State. [REDACTED] indicated a memorandum had circulated which stated that the Merit Employees' vacation time froze and that supervisors were no longer responsible to account for the time they were off. In this regard, supervisors could literally take months of vacation off and not be responsible; yet at retirement, their vacation time would have been frozen. [REDACTED] indicated this was a way in which RYAN could have his people campaign and bypass the fact that they were campaigning on state time.

[REDACTED] indicated [REDACTED] would assist the Agent in any way [REDACTED] could. [REDACTED] can be reached at [REDACTED]

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mk 3 6109. 3021

194A.SI- 50818-123

JAN 04 2001

BY: W

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 12/26/2000

[redacted]
[redacted] Illinois Secretary of State (SOS), was contacted at [redacted] office by the below Agent. [redacted] was familiar with the Agent and provided the following information:

[redacted] was asked to provide information regarding [redacted] knowledge of campaigning on state time by SOS employees. [redacted] stated that it was expected that employees would buy fund-raising tickets to support GEORGE RYAN. [redacted] specifically remembers meetings held by [redacted] in the conference room of Room 195 regarding the push to buy fund-raising tickets and/or contribute time to campaigning. [redacted] remembers specifically being told that [redacted] had to give one percent of [redacted] salary and work hours to help campaign if [redacted] wanted to get a raise. [redacted] recalls this was told to [redacted] specifically by [redacted]

[redacted] stated that [redacted] would come to work and there would be tickets on [redacted] desk, in a white envelope. [redacted] then stated [redacted] remembers that [redacted] still has two of the fund-raising tickets, which [redacted] then supplied to the Agent. It was noted that these tickets were for a fund-raiser for GEORGE H. RYAN, when RYAN ran for Governor, and were dated March 24, 1998. [redacted] stated that [redacted] was not sure who left the tickets, but advised if [redacted] did end up buying the tickets, [redacted] thought the money would be turned over to [redacted]. [redacted] advised that a female who used to [redacted] may have additional knowledge of this, as well as knowledge concerning [redacted]

[redacted] was asked if [redacted] had ever inadvertently [redacted] [redacted] acknowledged that [redacted] had obtained a [redacted] [redacted] stated that unbeknownst to [redacted] [redacted] [redacted] advised [redacted] told [redacted] about this and [redacted] asked [redacted] for [redacted] [redacted] explained that [redacted] then provided [redacted] to [redacted] and recalled it was approximately three months after the 1998 election.

[redacted] also remembers that during this period of time, someone called [redacted] office, which [redacted] believed was a call from [redacted]

Investigation on 11/29/2000 at Springfield, Illinois

File # 194A-SI-50818

Date dictated 12/08/2000

by SA [redacted] /mck

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met 36201.302

194451-50818-124

JAN 04 2001

BY

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 12/26/2000

[redacted] telephonically contacted the Agent regarding some additional information [redacted] remembered. [redacted] advised [redacted] had been thinking and thought about [redacted] concerning [redacted] explained this was possibly [redacted] and provided the following information regarding it:

[redacted] advised that [redacted]
[redacted] advised that [redacted] and
[redacted] thought that [redacted]
[redacted]

[redacted] explained [redacted]
[redacted] recalls [redacted]
[redacted] advised [redacted]
[redacted]

[redacted] thought [redacted]
[redacted] recalls
[redacted]

[redacted] thought it was questionable because [redacted]
[redacted] advised the Agent may want to interview [redacted] who was [redacted] at the time; [redacted] and an individual (First Name Unknown - FNU) [redacted] who is [redacted]
[redacted] also recommended the Agent interview [redacted] at the time, and who is currently [redacted]
[redacted] advised that these individuals would have additional information regarding [redacted]
[redacted]

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b7DInvestigation on 12/06/2000 at Springfield, Illinois (Telephonic)File # 194A-SI-50818Date dictated 12/08/2000by SA [redacted] /mckb6
b7C

194A-SI-50818

Continuation of FD-302 of [redacted], On 12/06/2000, Page 2

[redacted] did however state [redacted]
[redacted]
[redacted] advised [redacted]
would look for these and provide them to the Agent.

[redacted] also recommended the Agent contact [redacted] who
currently works [redacted] supposedly has
information regarding political activity being conducted on
personal time.

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194A-SI-50818
KAA:kaa

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On January 6, 2001, SA [] interviewed [] provided SA [] a large container containing various records. On January 9, 2001, SA [] met with SA [] with the Chicago Division of the FBI, at the US Postal Inspection office in Springfield, Ill. The records [] provided to SA [] were in turn provided to SA [] in their entirety.

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194A-SI-50818-125

JAN 11 2001

BY: []

KAA01001.125

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 12/27/2000

Source, who is not in a position to testify, was contacted by the below Agent. Source advised that the names of the individuals previously provided to the Agent by the source, regarding information on campaigning during state time, would still be in a position to speak with the Agent. Source advised he/she would speak to the employees and arrange for them to be interviewed by the Agent.

Source was advised to hold off until after the new year, and the Agent would re-contact the source with a priority as to who should be interviewed first.

Handwritten: A circle containing an 'X' and a checkmark.

194A-SI-50818-124

JAN 2 2001

BY: [Signature]

Investigation on 12/20/2000 at Springfield, Illinois

File # [Redacted] / 194A-SI-50818 124 Date dictated 12/20/2000

by SA [Redacted] /mck

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194A-SI-50818-127

JAN 17 2001

BY:  _____

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 01/11/2001

[redacted] was contacted by the below agent based on contacts with the Chicago Division of the FBI. The agent learned that [redacted] [redacted] was reached through [redacted] cell phone and arrangements were made for the agent to meet [redacted] on the morning of January 6, 2001. [redacted] was met by the below agent and was advised of the identity of the interviewing agent and supplied the following information:

[redacted] had brought with [redacted] a large container containing documents which [redacted] had accrued since [redacted] explained that [redacted] but that if any followup was required [redacted] would be willing to meet with the agent. [redacted] then went on to provide a overall description of what had occurred to [redacted]

[redacted] explained that [redacted] At that time [redacted] was living in [redacted] and working at [redacted]

[redacted] advised [redacted] [redacted] explained that [redacted] had spoke with [redacted] who at the time [redacted] told [redacted] not to worry about [redacted]

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[redacted] advised that [redacted] [redacted]

[redacted] advised [redacted] did some research and learned that [redacted] [redacted] stated when [redacted] learned this, [redacted]

Investigation on 1/6/2001 at Springfield, Illinois

File # 194A-SI-50818

Date dictated 1/8/2001

by SA [redacted] /elj

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ELJ 01/02/302

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 01/19/2001

Special Agent (SA) [redacted] Federal Bureau of Investigation (FBI), Chicago Division, Computer Analysis Response Team (CART) Field Examiner (FE), conducted the following computer examination using tools and techniques currently available to the FBI CART Laboratory:

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[redacted] were examined and found to contained [redacted]

[redacted]
identified by the following information:

Description

Examination ID number

--

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No further analysis was done since [redacted]
[redacted]

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FEB 01 2001

Investigation on 01/19/2001 at Chicago, ILFile # 194A-SI-50818-128Date dictated 01/19/2001by SA [redacted] b6
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This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

WS

194A-SI-50818
KAA:kaa

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On January 20, 2001, SA [redacted] received from [redacted]
[redacted] documents relative to [redacted]
[redacted] in regards to [redacted]
[redacted] is the [redacted] for the [redacted]
[redacted] Sec. of State. The records reflect [redacted]
[redacted]
[redacted] These documents will be placed in a 1A
envelope.

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194A-SI-50818-129
JAN 31 2001
BY [signature]

KAA 03101.1 MSB

194A-SI-50818-133
~~44A-SI-50284-4~~

SEARCHED	INDEXED
SERIALIZED	FILED
MAR 8 1999	
FBI - SPRINGFIELD	
SLJ/mm	

(X)
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U.S. Department of Justice

Federal Bureau of Investigation

In Reply, Please Refer to
File No.

400 West Monroe Street
Suite 400
Springfield, Illinois 62704
(217) 522-9675
March 4, 1999

The Honorable Frances C. Hulin
United States Attorney
Central District of Illinois
Federal Building
600 East Monroe Street - Room 312
Springfield, Illinois 62701

Attention: [redacted]
Assistant United States Attorney (AUSA)

Dear Mrs. Hulin:

For your information, I am enclosing a communication which may be of interest to you. If you have any questions regarding this communication, please feel free to call Special Agent [redacted] or Supervisory Special Agent [redacted] at [redacted]

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Sincerely,

Donald B. Whitehead
Special Agent in Charge

By: [redacted]
Supervisory Special Agent

Enclosure - 1

- 1 - Addressee
- 2 - ① 194A-SI-50224
- 1: DNS copy SA [redacted]

SGN:pd
(3)

194A-SI-50818-134
194A-SI-50224-5

SEARCHED	INDEXED
SERIALIZED	FILED
MAR 8 1999	
FBI - SPRINGFIELD	

SLS/MVM

(pd06309.oth/4)

(01/26/1998)

FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 03/04/1999

To: Criminal Investigative

Attn: Corruption/Civil Rights Section
Public Corruption Unit

From: Springfield

Squad 4/Headquarters

Contact: SA [REDACTED]

ext. [REDACTED]

Approved By: [REDACTED]

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Drafted By: [REDACTED]

pd

Case ID #: 194A-SI-50224 (Pending)

Title: UNSUB(S);

ILLINOIS SECRETARY OF STATE,
SECURITIES EXCHANGE COMMISSION,
Springfield, Illinois;

CORRUPTION OF STATE AND LOCAL PUBLIC OFFICIALS - STATE LEVEL

Synopsis: Provide LHM to FBIHQ [REDACTED]

Administrative: One copy of the LHM is being provided to the United States Attorney's office, Central District of Illinois, Springfield, Illinois.

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Enclosures: Original and three copies of an LHM suitable for dissemination.

Details: Captioned matter was [REDACTED]

[REDACTED] The United States Attorney's Office is fully aware and concurs with the investigation in this matter. ♦♦

50818-135
194A-SI-50224-6

SEARCHED	INDEXED
SERIALIZED	FILED
MAR 8 1999	
FBI - SPRINGFIELD	
SLM	

194A-SI-50224-7
50818-136

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SEARCHED	INDEXED
SERIALIZED	FILED
MAR 9 1999	
FBI - SPRINGFIELD	
[Signature]	

194A-SE-50224-
50818-139

SEARCHED	INDEXED
SERIALIZED	FILED
JUN 15 1999	
FBI - SPRINGFIELD	

Q

(01/26/1998)

FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 07/02/1999

To: Springfield

From: Springfield

Squad 4

Contact: [REDACTED]

Ext. [REDACTED]

Approved By: [REDACTED]

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Drafted By: [REDACTED]

/sgn

Case ID #: 194A-SI-50224 (Pending)

Title: UNSUB(s);
ILLINOIS SECRETARY OF STATE,
SECURITIES EXCHANGE COMMISSION,
SPRINGFIELD, ILLINOIS,
CSLPO-STATE LEVEL

Synopsis: Meeting with USA's office Chicago 6/24/99.

Details: On 6/24/99 a meeting was held with AUSA's [REDACTED]
[REDACTED] Chicago; AUSA [REDACTED] Springfield, and U.S.
Postal Inspector [REDACTED] in Chicago, Illinois. SA [REDACTED]
FBI Chicago could not be present.

Chicago FBI is currently involved in investigating allegations that employees within the SOS's office sold Commercial Drivers Licenses to individuals that could not pass the test and should not have been issued CDLs. Allegations also involve some of the money paid for the CDLs being passed along to the George Ryan for Governor campaign. The Illinois State Police internal affairs unit conducted an investigation of the allegations but confidential sources advised that they, ISP, were limited by high level personnel within the ISP in what they could investigate. The ISP report was provided to AUSA [REDACTED]

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There are also allegations that secretaries within Governor Ryan's office would talk with various SOS employees to advise them whether a certain individual had paid a campaign contribution and should be assisted with obtaining a CDL. According to the AUSAs in CG there have not been any allegations that SOS employees in the CDI, have received any payoffs for CDLs. It was agreed that all in attendance would keep one another advised of any further developments.

SI will continue to work with the U.S. Postal Inspection Service in this matter.

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FBI - SPRINGFIELD	

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194A-SI-50828-140

To: Springfield From: Springfield
Re: 194A-SI-50224, 07/02/1999

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50818-143

Reassign to
SA [redacted]
2/25/00
SA [redacted] 2/1/00
to [redacted]

Quentico.

194A-SI-50224-14

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FBI - SPRINGFIELD	

FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 03/12/2001

To: Springfield

From: Springfield
Squad 3/Champaign RA

Contact: SA [REDACTED]

Approved By: [REDACTED]

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Drafted By: [REDACTED]:sbe

Case ID #: 281A-SI-51233 (Pending)
194A-SI-50818-146 (Pending)

Title:

[REDACTED]

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RICO-Gambling/Public Corruption

Synopsis: Information received pertaining to the captioned matter.

Details: On 3/9/01, Special Agent [REDACTED] was in a restaurant in [REDACTED] Illinois when he was approached by [REDACTED] who had information about the captioned matter.

[REDACTED] advised that [REDACTED] campaign of GEORGE RYAN. [REDACTED] stated this was the reason why [REDACTED]

[REDACTED] did not elaborate on the subject because of the large number of people inside the restaurant.

[REDACTED] further advised that [REDACTED] worked for RYAN in the Secretary of State's office. [REDACTED] job was to check licensing at driver's license facilities around the state of Illinois. [REDACTED] was informed that [REDACTED] would check to see if the operating license at the driver's licensing facility was valid. If the license was invalid or not current, [REDACTED] would inform the personnel at the facility that the facility could contribute money toward GEORGE RYAN's campaign fund and this would enable the facility to obtain a current license. [REDACTED] advised that [REDACTED] would ask that the facility contribute more than the required amount to obtain a license. [REDACTED]

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[Signature]

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To: Springfield From: Springfield
Re: 281A-SI-51235, 03/12/2001

[redacted] advised that the individual who provided him this information about [redacted] was [redacted] who could be reached at telephone number [redacted]

[redacted] also suggested that [redacted] would possibly have information about GEORGE RYAN. [redacted] stated that [redacted]

[redacted] is currently an [redacted] for [redacted] and could be contacted at [redacted]

[redacted] further advised that Governor GEORGE RYAN was planning to [redacted] on [redacted] provided this information to the writer because he thought it would be a good opportunity for the FBI to obtain license plate information about people close to RYAN in the [redacted] area.

The writer would like to note that [redacted] was previously interviewed by Special Agents [redacted] and [redacted] on 11/2/01 at [redacted] in [redacted] Illinois. [redacted] identifiers are already on file. SA [redacted] informed [redacted] that the Springfield FBI would be in contact with him in the near future to follow up on this information.

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 03/20/2001

On February 27, 2001, SA [] accompanied by SA [] with the INTERNAL REVENUE SERVICE, went to [] Illinois, in an attempt to reach []

This location is []

[] It was noted [] that [] resides at [] SA [] then attempted to contact [] with negative results.

Later in the day the agents returned to [] and attempted again to meet and contact [] with negative results. [] was left a message to contact the agent; however the agent did not identify themselves as a Special Agent of the FBI.

On March 5, 2001, SA [] again attempted to contact [] with negative results.

MAR 23 2001

Investigation on 2/27/2001 at [] Illinois

File # 194A-SI-50818 -147 Date dictated 3/2/2001

by SA [] /elj

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FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 03/05/2001

To: Springfield

From: Springfield

Squad 4

Contact: SA [redacted] ext. [redacted]

Approved By: [redacted]

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Drafted By: [redacted]

leh [initials]

Case ID #: 194A-SI-50818 (Pending)

Title: GEORGE RYAN;

ET AL;

Corruption of State and Local Officials

Synopsis: One time non-symboled source payment for expenses.

Details: A non-symboled source has furnished information concerning [redacted]

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194A-SI-50818-148

MAR 05 2001

1eh06002.ec [initials]

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 03/29/2001

[redacted] had previously run into SA [redacted] at a restaurant in [redacted] Illinois. [redacted] had provided SA [redacted] with some information which SA [redacted] indicated he would follow up on at a future date. As such [redacted] was met by the below agents and provided the following information:

[redacted] advised that he had an acquaintance by the name of [redacted] and had previously [redacted] Currently [redacted] is [redacted]

During the course of their conversation, [redacted] made a comment about how [redacted]

[redacted] also made a comment relative to this that [redacted] gave over [redacted] to GEORGE RYAN's campaign fund. [redacted] did not elaborate any more on this.

[redacted] advised that [redacted]
[redacted]
[redacted] was asked if in his opinion he thought [redacted] would be worthy of interviewing, and he stated that he would not think that he would have specific information other than generalities.

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BY: SLS/KS

Investigation on 3/21/01 at [redacted] Illinois

File # 194A-SI-50818 -150 Date dictated 3/23/01

by SA [redacted] elj

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 03/29/2001

[redacted] had previously run into SA [redacted] at a restaurant in [redacted] Illinois, and provided SA [redacted] with some information. SA [redacted] advised [redacted] that he would follow up for additional details and as such the below agents met with [redacted]

[redacted] advised that there is a friend of his by the name of [redacted] is [redacted]

[redacted] works for [redacted] which is located at [redacted] can be reached at telephone number [redacted]

[redacted] advised that [redacted] had conversations with him regarding [redacted] advised that [redacted]

[redacted] therefore hired an attorney in [redacted] to look into the situation. (X) b6 b7C b7D

[redacted] explained that [redacted] located at [redacted] in [redacted] Illinois, and can be reached at [redacted]

[redacted] explained that he had an acquaintance that was in [redacted] and had overheard [redacted] advised that he did not obtain anymore specifics about this from [redacted] but advised that [redacted] would be a good individual to interview.

[redacted] also suggested that the agents interview [redacted] who [redacted] is approximately [redacted] years of age and is currently [redacted] described [redacted] as doing things right and thought that he would have information on improprieties.

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Investigation on 3/21/01 at [redacted] Illinois

BY: SLS/KI

File # 194A-SI-50818 -151

Date dictated 3/23/01

by SA [redacted] elj

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194A-SI-50818

Continuation of FD-302 of [redacted], On 3/21/01, Page 2

[redacted] also advised that he had conversations with an individual known as [redacted]

[redacted] stated that [redacted] told him that [redacted]

[redacted] advised that [redacted] told him that [redacted]

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[redacted] advised that [redacted] who was put in a position with [redacted] by GEORGE RYAN due to the fact that [redacted] is believed to be [redacted]

[redacted] advised that [redacted] did not have any specifics why [redacted]

[redacted] advised that he would be in a position to talk to these individuals about speaking with investigators.

194A-SI-50818

KAA/elj

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On March 21, 2001, SA [] and SA []
[] met with [] provided to the agents a
handout which he found in his front yard regarding an allegation
that []

[] This handout will be
located in a 1A envelope.

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194A-SI-50818-152

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APR 11 2001

BY: SLS/KS

ELJ08804, INS

194A-CG-109387

194A-SI-50818

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On June 1, 2001, SA [] was contacted by [] an attorney representing [] [] was then recontacted by the agent.

[] wanted to advise the agent that a box of records pertaining to [] which was beyond the purview of the grand jury subpoena was available for the agent to review and/or take custody of. The box contained what was explained as []

[]

In addition were []

[]

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[] wanted to bring this to the attention of the investigators inasmuch as it did pertain to the Secretary of State. [] was advised that the agent would contact the Chicago agent and recontact him regarding the status of those documents.

On June 4, 2001, SA [] spoke with SA [] with the Chicago Division of the FBI. SA [] advised the agent to notify [] and advise him that there would be no need to take custody of the documents at this time; however, it was requested that they maintain them should the need arise in the future.

On June 4, 2001, SA [] contacted [] and advised him of the above.

194-SI-50818-153
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JUN 13 2001

BY: []

194A-SI-50818
KAA:kaa

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On June 19, 2001, SA [] received the
attached letter. A copy of the letter was provided to SA []
[] of the Chicago division.

or

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194A-SI-50818-154
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JUN 25 2001
BY: MM

KAA17302.105 by

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 06/21/2001

[redacted] was contacted at [redacted] residence, [redacted] Illinois. Initially, [redacted] was not home; however, [redacted] reached out for [redacted] and [redacted] soon responded to the house shortly following the agents' appearance. [redacted] was advised of the identity of the interviewing agents and the nature of the contact and provided the following information:

[redacted] was advised that the agents were interested in speaking with [redacted] regarding [redacted] involvement with the CITIZENS FOR RYAN (CFR) organization. [redacted] was asked also to provide information regarding [redacted] work prior to being involved with CFR.

[redacted] advised that [redacted] worked for the SECRETARY OF STATE's office in [redacted] beginning in [redacted] [redacted] advised that [redacted] worked for [redacted] and worked out of [redacted] [redacted] advised that in September of 1997 when GEORGE RYAN announced that he was going to run for Governor, [redacted] had asked [redacted] was interested in getting involved in CFR.

[redacted] advised that on [redacted] [redacted] took a leave of absence from working for the State and [redacted] located in [redacted] This office was dedicated to CFR. [redacted] advised [redacted] worked [redacted] for CFR and as a result of [redacted] leave of absence, [redacted]

[redacted] was asked who else worked for CFR and [redacted] advised that [redacted] also worked for CFR and [redacted] along with [redacted] were considered to be [redacted] Also working for CFR were [redacted] who was [redacted] up until approximately [redacted] when [redacted] took over. Also working was [redacted] who was responsible for [redacted] [redacted] who was involved with [redacted]

[redacted] was asked what [redacted] responsibilities were and [redacted] said primarily to [redacted]

Investigation on 6/20/2001 at [redacted] Illinois

File # 194A-SI-50818/194A-CG-109387-881 Date dictated 6/21/01

SA [redacted]
by SA [redacted] /elj

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- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 06/21/2001

On June 21, 2001, a conference call was initiated between AUSA [redacted] out of Chicago, Illinois; [redacted] in Springfield; and SA [redacted]. The purpose of the conference call was to clarify information provided to SA [redacted] the previous evening and to ask additional follow-up questions based on the previous interview.

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[redacted] was asked if [redacted] could remember the location of where CITIZENS FOR RYAN (CFR) was located and [redacted] advised that it was off of [redacted]

[redacted] advised that it was formerly [redacted] described when you entered the front door, there was [redacted]

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[redacted] advised that [redacted]

[redacted] was asked if [redacted] acknowledged that that was possible inasmuch as [redacted] acknowledged that [redacted]

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[redacted] was asked if [redacted] told anybody about meeting with the FBI and [redacted] advised [redacted] had told [redacted] that [redacted] was subpoenaed before the grand jury and would have to be off [redacted] acknowledged that [redacted] did not provide details as to the subpoena. [redacted] also advised that following the telephone call [redacted] received from [redacted] the previous night to go back to [redacted] house to meet with FBI agents, [redacted] called [redacted] on [redacted] cell phone. [redacted] advised [redacted] asked [redacted] "Why is the FBI at my house?" [redacted] advised that [redacted] told [redacted] to tell the truth and that there was not anything else discussed. [redacted] was again cautioned about telling a lot of individuals about [redacted] contacts with the FBI.

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b7DInvestigation on 6/21/2001 at Springfield, IllinoisFile # 194A-SI-50818/194A-CG-109387 ¹⁵⁶ ₄₈₇ Date dictated 6/21/2001by SA [redacted] /eljb6
b7CEL5172 03.302 *[signature]*

FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 06/25/2001

To: Springfield

From: Springfield

Squad 4

Contact: SA [REDACTED]

Approved By: [REDACTED]

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Drafted By: [REDACTED]

Case ID #: 194A-SI-50818 (Pending)

Title: GEORGE RYAN;
ET AL;
CSLPO-STATE

Synopsis: Investigative priorities

Details: Since the end of April, 2001, SA [REDACTED] was notified that she was needed to testify in an evidentiary hearing scheduled for May 16, 2002, in New Orleans, La. to be followed up by a trial originally scheduled for June but is now scheduled for August 16, 2001. This hearing and trial concerns the death penalty case involving former New Orleans Police Officer [REDACTED] case SHATTERED SHIELD; CSLPO-LE (194B-NO-56873), and [REDACTED] ET AL; ITAR-Crimes of Violence (166E-NO-57591).

SA [REDACTED] has traveled to New Orleans to facilitate this testimony as well as prepare for trial testimony. Additional travel will be required. This preparation entails an extensive amount of review and coordination with New Orleans AUSA's and DOJ Attorneys. Due to the voluminous amount of preparation, little time has been afforded to investigating the above captioned case.

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In addition, SA [REDACTED] has a bank robbery trial scheduled in Springfield, Ill. to begin August 6, 2001. This will require a minimum weeks preparation again limiting the time for investigating captioned matter.

♦♦

194A-SI-50818-157

RECEIVED
JUN 27 2001

BY: [REDACTED]

17602.00

194A-SI-50818-158

RECEIVED
JUL 2 2001

BY: MM

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 06/25/2001

[redacted] an attorney in Springfield, Illinois, telephonically contacted the below Agent. [redacted] was familiar with the Agent and advised the Agent that he was representing [redacted]. [redacted] requested that he contact the Assistant United States Attorney (AUSA), [redacted] regarding [redacted] at which time upon receiving it an interview could be conducted. Based upon this telephone call, Special Agent (SA) [redacted] reached out for Assistant United States Attorney, [redacted] in Chicago, Illinois.

Upon relaying that information to AUSA [redacted] a conference call was initiated between AUSA [redacted] the Agent, and [redacted] AUSA [redacted] provided [redacted] with the explanation of why [redacted] was contacted and the information which [redacted] would be in a position to provide the investigator. During the course of the conversation it was learned that [redacted] was currently meeting with [redacted] and, as such, [redacted] became a part of the conference call.

AUSA [redacted] assured [redacted] and [redacted] attorney that [redacted] was being viewed as a witness and not as a target or subject of the investigation. In addition, AUSA [redacted] provided specific details regarding information which had been learned regarding [redacted] involvement in [redacted]. In particular, [redacted] relayed the fact it was learned from [redacted] that [redacted] who was in Chicago, placed a telephone call to [redacted] who was working for Citizens for RYAN, in Springfield. The call concerned [redacted].

[redacted] relayed the fact that [redacted] then notified [redacted] who in turn called back to [redacted] to confirm [redacted] call. During the course of that phone call, [redacted] assured [redacted] that [redacted]. Upon hearing this, [redacted] asked [redacted] if [redacted] was familiar with what [redacted] was speaking about and [redacted] acknowledged in the positive. [redacted] also acknowledged that what was said regarding the phone calls was correct and that [redacted] did recall it. At this point in time no other details were elicited and it was agreed that [redacted] and that an interview would be conducted at [redacted] office with [redacted] on the following Monday.

Investigation on 06/25/2001 at Springfield, Illinois (telephonically)File # 194A-SI-50818 194A-CG-109387 Date dictated 06/21/2001by SA [redacted] /cafb6
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b7Db6
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- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 07/18/2001

[redacted] was contacted at [redacted] residence by the below agent. [redacted] was advised of the identity of the interviewing agent and the nature of the contact and provided the following information:

[redacted] was advised that the agent was interested in [redacted] activities when volunteering his work with CITIZENS FOR RYAN (CFR) campaign and also [redacted] work for the SECRETARY OF STATE. [redacted] advised [redacted] currently works for [redacted] with the SECRETARY OF STATE at [redacted] title is [redacted] [redacted] has worked in this position since [redacted] explained that the chain of command in which [redacted] works, [redacted] directly reports to [redacted] who is the [redacted] followed by [redacted] who is the [redacted] [redacted] who is [redacted] and finally [redacted] Prior to working there, [redacted] advised [redacted] had worked for a period of time with [redacted]

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[redacted] explained [redacted]

[redacted]

[redacted] explained that [redacted] was a volunteer throughout [redacted] work with CFR and actually had taken [redacted] vacation during the time period of [redacted] through [redacted] explained that those that were on [redacted] payroll included [redacted]

[redacted] was asked [redacted]

[redacted]

Investigation on 6/29/01 at Springfield, IllinoisFile # 194A-SI-50818/194A-CG-109387 ¹⁵¹ ₉₂₈ Date dictated 7/6/01by SA [redacted]/eljb6
b7CELJ 19902.302 *ELJ*

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 07/18/2001

[redacted] was interviewed at [redacted] residence by the below agent. [redacted] was advised of the identity of the interviewing agent and the nature of the contact and provided the following information:

[redacted] advised [redacted] is currently working for [redacted] and answers to [redacted]. [redacted] was asked to provide information regarding [redacted] history with working for the SECRETARY OF STATE and [redacted] working for CITIZENS FOR RYAN (CFR). [redacted] advised [redacted] began working for the state in approximately [redacted]

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[redacted] responsibilities primarily concerned the [redacted] advised that [redacted] worked for [redacted] up until [redacted]

Regarding [redacted] involvement with CFR campaign, [redacted] advised [redacted] GEORGE RYAN ran for SECRETARY OF STATE. [redacted] advised [redacted] took a formal leave of absence while working for the state in [redacted] and stayed absent until [redacted] in approximately [redacted] [redacted] acknowledged being on the [redacted] payroll [redacted] was asked what the normal work hours were at CFR and [redacted] replied that [redacted] usually worked beginning at [redacted] but often times worked till [redacted]

[redacted] explained [redacted] was considered [redacted]

[redacted] advised [redacted]

RECEIVED
JUL 25 2001Investigation on 7/2/01 at Springfield, IllinoisFile # 194A-SI-50818/194A-CG-109387 ¹⁶⁰ ₉₂₃ Date dictated 7/2/01by SA [redacted] /elj b6
b7C

ELJ/9904.302

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 07/17/2001

[redacted] reached out for the agent and as such the agent met with [redacted] accompanied by Special Agent [redacted] with the INTERNAL REVENUE SERVICE. [redacted] wanted to provide the agent with some clarification based on a previous interview which the agent had with [redacted] advised that during the time [redacted] worked for CITIZENS FOR RYAN (CFR) [redacted]

[redacted] advised that [redacted] did remember [redacted] was fairly confident it was [redacted] and definitely knew [redacted] advised that [redacted] was asked who told [redacted] to do this and [redacted] was not quite sure, but speculated it might have been [redacted] explained that [redacted] also thought that the volunteers also [redacted]

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[redacted] acknowledged that [redacted] knew that [redacted] was working for the state when [redacted] but did not specifically know the extent of [redacted] work.

[redacted] also wanted to add that [redacted] did know about the [redacted] and knew of this because prior to [redacted] [redacted] also wanted to clarify that [redacted] worked for CFR from [redacted] to [redacted]

[redacted] also added [redacted] remembered that fund raising tickets did come into CFR headquarters and [redacted] thought [redacted] was responsible for handing them out and their accountability. [redacted] additionally stated that it was told to the volunteers that they needed to submit some type of formal leave in order to volunteer at CFR but it was not [redacted] responsibility to follow up and

Investigation on 7/3/01 at Springfield, IllinoisFile # 194A-SI-50818 ¹⁶⁶¹ 194A-CG-109387 ⁹²⁴ Date dictated 7/3/01by SA [redacted] /elj b6
b7CEL5 19813.302 ¹⁶⁶¹

194A-SI-50818-162

AUG 6 2001

BY: MAR/13

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 07/31/2001

[redacted] was interviewed at the office of [redacted] attorney [redacted] Illinois. [redacted] had previously met with SA [redacted] and had made arrangements to be interviewed in the presence of [redacted] attorney. [redacted] was advised of the identity of SA [redacted] and [redacted] along with [redacted] attorney, was advised of the nature of the interview. [redacted] then provided the following information:

[redacted] was asked to provide a history of [redacted] employment and [redacted] advised [redacted] is currently employed at the [redacted] [redacted] has held this position for over [redacted] and was previously employed by [redacted] and worked at what is now known as [redacted] at [redacted] While working for [redacted] [redacted] advised [redacted] was the [redacted] This job entails [redacted]

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[redacted] advised [redacted] held this position from approximately [redacted] through [redacted]

[redacted] again was asked to provide [redacted] history of working/volunteering for CITIZENS FOR RYAN. [redacted] advised that [redacted] beginning in approximately [redacted] [redacted] advised that [redacted]

[redacted] advised that [redacted] primarily volunteered during the [redacted] hours and/or [redacted]

[redacted] was asked if [redacted] ever volunteered during work hours and [redacted] replied at this time that [redacted] did not and [redacted] was specifically instructed by [redacted] that if [redacted] was to volunteer during work hours [redacted] was to fill out a leave slip.

[redacted] advised that in [redacted] had asked [redacted] to take a partial leave from working for the state in [redacted]

Investigation on 7/23/2001 at Springfield, Illinois

File # 194A-SI-50818/194A-CG-109387

Date dictated 7/23/2001

by SA [redacted] b6
SA [redacted] /elj b7C

ELJ 2/20/302 [signature]

194A ST-50818-163

AUG 21 2001

BY: *MM*

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 08/10/2001

[redacted] was contacted at [redacted] residence, [redacted] Illinois, by the below agents. [redacted] was advised of the identity of the interviewing agents and the nature of the contact and provided the following information:

[redacted] was asked to provide a history of [redacted] employment [redacted] advised in [redacted] began working in [redacted] [redacted] advised [redacted] was involved in [redacted] [redacted] worked in this position for approximately [redacted] and then moved to [redacted] [redacted] While working for [redacted] worked under [redacted] followed by [redacted] advised [redacted] held this position for approximately [redacted]

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In [redacted] advised [redacted] began working for the Secretary of State GEORGE RYAN at the main office in the Howlett Building. [redacted] responsibility was [redacted] worked for [redacted] Following [redacted] worked for [redacted] up until the time that [redacted] left the office. [redacted] thought that [redacted] went to [redacted] Following that period of time, [redacted] advised [redacted] began working in [redacted] of the Howlett Building and was given the title of [redacted] [redacted] advised while in this position, [redacted] was involved in [redacted] [redacted] [redacted] advised it was a [redacted]

[redacted] advised that [redacted] worked in this capacity up until approximately [redacted] when [redacted] then went over to [redacted]

While at [redacted] advised [redacted] supervisor was [redacted] and [redacted] was tasked with [redacted] advised [redacted]

Investigation on 8/9/01 at [redacted] IllinoisFile # 194A-SI-50818/194A-CG-109387Date dictated 8/10/01b6
b7Cby SA [redacted] /elj

ELJ 22201.30200

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 08/23/2001

[redacted] date of birth [redacted]
 [redacted] Social Security Account Number [redacted] was contacted at
 [redacted] residence, [redacted]
 telephone [redacted] Also present for the interview was
 [redacted] After being advised of the
 identities of the interviewing agents and the purpose of the
 interview, [redacted] provided the following information:

[redacted] is currently [redacted]
 [redacted]
 [redacted] located at [redacted]
 telephone [redacted] has been employed at [redacted] since
 [redacted] Prior to being employed at [redacted] worked
 for [redacted] in the Illinois SECRETARY OF STATE [redacted]
 [redacted] and for [redacted] prior to that position, [redacted]
 worked for the Illinois SECRETARY OF STATE [redacted]
 During the last [redacted] of [redacted] employment with [redacted]
 [redacted] was [redacted] of that
 section. [redacted]
 [redacted]

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[redacted] did not have any type of business relationship
 with Illinois Governor GEORGE RYAN either in his current position
 as Governor or when he was Secretary of State. [redacted] does not
 believe RYAN would know [redacted] name if he was asked. RYAN spoke to
 [redacted] the same as he spoke to other attendees at various fund
 raising activities.

[redacted] knows SCOTT FAWELL to have been the Chief of
 Staff for RYAN, both as Governor and Secretary of State. FAWELL is
 no longer in that position. [redacted] oftentimes saw FAWELL at
 fund raisers, but [redacted] would not describe FAWELL as being a
 close friend. [redacted] did not socialize with FAWELL away from the work
 setting. FAWELL was much closer to [redacted] than he was to
 [redacted] has never spoken to FAWELL about anything
 related to this interview and believes [redacted] last saw FAWELL before
 the November, 1998 election.

RECEIVED
 AUG 28 2001

Investigation on 8/9/2001 at Springfield, IllinoisFile # 194A-SI-50818/194A-CG-109387-1044 Date dictated 8/10/2001

SA [redacted] b6
 SA [redacted] b7C

e/23501.302A

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 09/19/2001

Through coordination with [redacted] legal counsel
for the State of Illinois, SA [redacted] obtained from [redacted]
State Property Control, a computer with serial number 100848.

DEP
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b7CRECEIVED
SEP 20 2001BY: *for*Investigation on 09/18/01 at Springfield, IllinoisFile # 194A-CG-109387; 1013 194A-SI-50818 -165 Date dictated 09/19/01by SA [redacted] b6
b7C

August 2, 2001

[Redacted]
Dear [Redacted]

Your January 26th e-mail to President George W. Bush has been referred to the Department of Justice and subsequently forwarded to the FBI, where it was received on July 19th. You are concerned about the investigation of a scheme to issue commercial driver's licenses to unqualified drivers in the state of Illinois and stress the need for a federal prosecutor. If you are referring to the U. S. Attorney, this position serves at the request of the President and with the confirmation of the U. S. Senate. Therefore, it would be inappropriate for the FBI to address your concerns about that position.

The investigation of allegations of public corruption, at any level, is one of the FBI's highest investigative priorities, and the allegations surrounding the fraudulent acquisition of commercial driver's licenses in the state of Illinois is continuing and remains the highest investigative priority within our Chicago Office. As you are probably aware, numerous individuals have been convicted thus far in connection with this case. Because of longstanding Department of Justice and FBI policy, I am unable to comment any further on this pending case. This policy exists to protect the rights of all parties involved and to prevent any impact on any criminal charges that may result from our investigations.

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ASAC
SA
[Redacted]
Sincerely yours,

[Redacted]
Unit Chief
Office of Public and
Congressional Affairs

1 - SAC, Chicago (196D-CG-105799) - Enc.

ReBufax 7/20/01 and e-mail reply from 7/27/01 from SSA [Redacted] to [Redacted]
[Redacted] OPCA.

① - SAC, Springfield (194A-SI-50818) - Enc.

ReBufax 7/20/01 and telcal from [Redacted] to [Redacted] OPCA.

1 - OPCA ES, Room 6248 - Enc.

NOTE: Based on available information, [Redacted] is not identifiable in ACS. Reply based on CH e-mail. Correspondent wants investigation into political corruption involving Governor George Ryan in the state of Illinois. Conviction data in Operation Safe Road obtained from U.S. Attorney's Office, Northern District of Illinois.

62C-HQ-1077231

DD

194A-SI-50818-166

AUG 15 2001

BY: MRL/STP

From: [redacted] on 01/26/2001 03:22 PM GMT

To: President@Whitehouse.GOV

CC:

Subject: Federal Prosecutors needed for Illinois Governor Ryan

Dear President Bush:

The people of the state of Illinois and all those who drive the highways of our country need your help. Governor Ryan needs to be investigated, indicted and prosecuted for his involvement in the trucker licensing scandal that has been rocking this state. I am very concerned that we will never see anything fair happen in this case, because Governor Ryan and the Chicago Mayor Richard Daley the two largest powers in Illinois have allied themselves and vowed silence on the issue of truckers licenses being bought by unqualified drivers. There will be no truth if Ryan and Daley are allowed to continue calling the shots on this case. Everytime I get in my car with my two young children George Ryan puts them in danger. Ryan needs to be held accountable for what he has done, tell what he knows and we need to get these drivers off our roads before anyone else loses their life at the expense of others greed.

I like to drive to Texas to visit my [redacted] in [redacted] every summer, I want to do it without fear that the driver next to me doesn't know how to handle the truck he's hauling. Please help me and insist on Federal Prosecutors in this situation. Please pick them yourself if you can. We need your help.

Sincerely,

[redacted]

b6
b7C

194A SI-50818-167

BY

~~AUG 15 2001~~

AUG 15 2001

BY: *MR. J. J.*

August 3, 2001

[Redacted]

Dear [Redacted]:

Your January 26th e-mail to President George W. Bush has been referred to the Department of Justice and subsequently forwarded to the FBI, where it was received on July 19th. You are concerned about the investigation of a scheme to issue commercial driver's licenses to unqualified drivers in the state of Illinois and comment on the appointment of a judge. If you are referring to the U. S. Attorney, this position serves at the request of the President and with the confirmation of the U. S. Senate. Therefore, it would be inappropriate for the FBI to address your concerns about that position.

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The investigation of allegations of public corruption, at any level, is one of the FBI's highest investigative priorities, and the allegations surrounding the fraudulent acquisition of commercial driver's licenses in the state of Illinois is continuing and remains the highest investigative priority within our Chicago Office. As you are probably aware, numerous individuals have been convicted thus far in connection with this case. Because of longstanding Department of Justice and FBI policy, I am unable to comment any further on this pending case. This policy exists to protect the rights of all parties involved and to prevent any impact on any criminal charges that may result from our investigations.

Sincerely yours,

SA [Redacted]
SA [Redacted]

[Redacted]

Unit Chief
Office of Public and
Congressional Affairs

1 - SAC, Chicago (196D-CG-105799) - Enc.

ReBifax 7/20/01 and e-mail reply from 7/27/01 from SSA [Redacted] to [Redacted]
[Redacted] OPCA.

① - SAC, Springfield (194A-SI-50818) - Enc.

ReBifax 7/20/01 and telcal from [Redacted] to [Redacted] OPCA.

1 - OPCA ES, Room 6248 - Enc.

NOTE: Based on available information, [Redacted] is not identifiable in ACS. Reply based on CG e-mail.

62C-HQ-1077231

DD

FL

From: [redacted] on 01/26/2001 08:45 PM GMT

EDUSA

To: president@Whitehouse.GOV
cc:
Subject: Appointment Of Federal Judge for Chicago

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b7C

From:

[redacted]

President Bush:

Please do not depend on Govenor George Ryan and House Speaker Dennis Hastert.
I
do not believe the drivers liscense scandle has been investigated completely
and it appears that there is a cover-up going on. The appointment should have
a
judge who owes no favors to Govenor Ryan, Speaker Hastert or Mayor Daley.

Sincerely,

[redacted]

194A-SI-S0818-168

AUG 15 2001

MR. HAT

August 3, 2001

[Redacted]

Dear [Redacted]:

Your January 25th e-mail to President George W. Bush has been referred to the Department of Justice and subsequently forwarded to the FBI, where it was received on July 19th. You commented about the need for an independent state's attorney for Illinois. If you are referring to the U. S. Attorney, this position serves at the request of the President and with the confirmation of the U. S. Senate. Therefore, it would be inappropriate for the FBI to address your concerns about that position.

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The investigation of allegations of public corruption, at any level, is one of the FBI's highest investigative priorities. The allegations surrounding the fraudulent acquisition of commercial driver's licenses in the state of Illinois is continuing and remains the highest investigative priority within our Chicago Office. Numerous individuals have been convicted thus far in connection with this case. Because of longstanding Department of Justice and FBI policy, I am unable to comment any further on this pending case. This policy exists to protect the rights of all parties involved and to prevent any impact on any criminal charges that may result from our investigations.

(X)

Handwritten: 10/2/01
GA [Redacted]

Sincerely yours,

[Redacted]
Unit Chief
Office of Public and
Congressional Affairs

1 - SAC, Chicago (196D-CG-105799) - Enc.

ReBifax 7/20/01 and e-mail reply from 7/27/01 from SSA [Redacted] to [Redacted]
[Redacted] OPCA.

① - SAC, Springfield (194A-SI-50818) - Enc.

ReBifax 7/20/01 and telcal from [Redacted] to [Redacted] OPCA.

1 - OPCA ES, Room 6248 - Enc.

NOTE: Based on available information, [Redacted] is not identifiable in ACS. Reply based on CG e-mail.

62C-HQ-1077231

DD

EL
ATTY

EOUSP

1202721

From: [redacted] on 01/25/2001 10:22 PM GMT

To: president@Whitehouse.GOV
cc:
Subject: state's attorney

Please do not give the Illinois governor, Ryan, any imput into the selection of the Illinois state's attorney. Speaker Hastert seems to ally himself with the governor so please let the senator give the recommendation for this position. Governor Ryan is so closely involved in the selling of driver's licenses. People have been killed because of the practice of selling licenses while Ryan held the office of Secretary of State and was responsible for driver's licenses. Because of the taint of death which clings to him, the presidential Bush campaign was injured in the State of Illinois. The investigation of the practice of selling licenses has not been completed as yet although many people have been sentenced to jail terms. The new State's Attorney neweds to be free of any obligation to the governor. Please help conclude this sad chapter by selecting a fine, independent attorney.

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b7C

Yours truly,

[redacted]

194A-SI-50818-169

AUG 15 2001

BY: *MR. [unclear]*

August 3 , 2001

[Redacted]

Dear [Redacted]

Your communication to President George W. Bush has been referred to the Department of Justice and subsequently forwarded to the FBI , where it was received on July 19th. You refer to "crooks" in Illinois and enclose copies of news clippings which refer to the process of President Bush selecting a U. S. Attorney for the Northern District of Illinois. Since this position serves at the request of the President and with the confirmation of the U. S. Senate, it would be inappropriate for the FBI to address your concerns about that issue.

b6
b7C

The investigation of allegations of public corruption, at any level, is one of the FBI's highest investigative priorities. In fact, the allegations surrounding the fraudulent acquisition of commercial driver's licenses in the state of Illinois is continuing and remains the highest investigative priority within our Chicago Office. As you are probably aware, numerous individuals have been convicted thus far in connection with this case. Because of longstanding Department of Justice and FBI policy, I am unable to comment any further on this pending case. This policy exists to protect the rights of all parties involved and to prevent any impact on any criminal charges that may result from our investigations.

Sincerely yours,

AGM
SA
GW
[Redacted]

[Redacted]
Unit Chief
Office of Public and
Congressional Affairs

1 - SAC, Chicago (196D-CG-105799) - Enc.

ReBufax 7/20/01 and e-mail reply from 7/27/01 from SSA [Redacted] to [Redacted]
[Redacted] OPCA.

① - SAC, Springfield (194A-SI-50818) - Enc.

ReBufax 7/20/01 and telcal from [Redacted] to [Redacted] OPCA.

1 - OPCA ES, Room 6248 - Enc.

NOTE: Based on available information, [Redacted] and [Redacted] are not identifiable in ACS. Reply based on CG e-mail.

62C-HQ-1077231

DD

711

1204165
EDUSA

Dear Mr. President:

Please help us.

We're sorry we voted for our
Gov.

I'm sure you have your hands
full there in Washington but
maybe you can give these clippings
to someone who can do something
about these crooks in our state.

We're very glad you won.

Sincerely

[Redacted Signature Box]

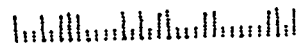
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b7C



- b6
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Pres. Geo. W. Bush
White House
1600 Penn. Ave. N.W.
Washington, D.C. 20500





Department of Justice

Executive Secretariat

FAX Transmittal Cover Sheet

DATE July 20, 2001Number of Pages Transmitted: 11
(Including cover sheet)

To: [redacted]

b6
b7cAgency/Location: FBI

FAX Number: [redacted]

Voice Number: _____

FROM: [redacted]

Department of Justice
Executive Secretariat
Room 4400, Main Justice
FAX Number: [redacted]
Voice Number: [redacted]Comments: Per your request.



Willises merely want Ryan to do responsible thing

Leadership comes from the top, doesn't it?" said Rev. Juane "Scott" Willis.

We were talking about Gov. George "Safe Highways" Ryan and responsibility.

But that's like talking about porterhouse steaks and a bucket of bleach. They don't seem to go together, do they?

"If only he would take responsibility," Willis said. "If he were to say, 'I'm wrong. I have not done my job to protect the people of Illinois. And I need to step down and resign.' That would be refreshing."

Willis and his wife, Janet, were sitting with me at a back table at Monday's restaurant in the South Loop the other day.

This was a day before Thursday's news conference, in which they called on Ryan to do the honorable thing and resign.

It was before many of you called the Bush White House, asking the president to stop attempts by the Ryan-Daley combine to influence the selection of federal prosecutors in Illinois.

Scott and Janet Willis talked about many things. But mostly they wanted to talk about their six children and Ryan, who was supposed to protect them.

Those six kids were burned to death in a Nov. 8, 1994, crash involving an unqualified trucker who paid bribes for his license to the secretary of state's office.

Ryan was secretary of state then. A week after that crash, Ryan's top people, including fixer Dean Bauer, believed the trucker paid a bribe. But they covered it up, and Bauer withheld evidence.

Chicago Mayor Richard Daley's City Hall put out the word to Democratic workers to lay down, and they did. Unions backed Ryan. The right-to-lifers backed Ryan. The North Side and North Shore liberals backed Ryan.

U.S. Atty. Scott Lassar went public, in a shameful appearance, and told Illinois voters Ryan was not a target.

Through Lassar, Clinton's Justice Department gave a clean bill of political health to City Hall's favorite Republican.

And the media, including this paper, ran with that story, and it helped to clear off the surface dirt, and Ryan won.

Ryan's opponent in that 1998 campaign—an honest man, U.S. Rep. Glenn Pothard (D-Ill.)—was dumped. The Ryan-Daley combine was born. As governor, Ryan raised taxes and put together a \$12 billion public works payoff.

All of the political insiders walked over those six kids, stepping quickly for the crash.

"Leadership is at the top. And there's a greater responsibility of leadership and obligation as you go up the ladder, to do right, to protect people," Scott Willis said.

I asked him, didn't Ryan have an obligation to those children, after his office learned of the bribes, to do something, to say something, to take responsibility?

"Ryan had his chance," said Scott Willis. "The time has passed, somewhat. I still think there is a redeemable opportunity for him to say, 'You know what? Looking over this whole thing, it was not only on my watch, it was my responsibility, and I did wrong in this.' That's what he could say."

"He uses the word responsibility. But when he says he's responsible, he doesn't mean it. You know that. I know that. Anybody who hears him say it, it sounds political, and so quick, so convenient. He doesn't mean it. It carries no weight to it."

Janet Willis wanted to say something.

"He was trusted with a responsibility that he didn't fulfill. In fact, not only did he not fulfill his responsibility, he broke that by covering it up and kept things from being found out, basically," she said.

"And more bribes were being paid," Janet said. "They kept on and on. And more unqualified truck drivers were on the road. These politicians have children, don't they? They have families, and their families are on the road, driving."

"And now there are no consequences," she said. "Absolutely no consequences. You know what really hurt us?"

I looked away. I couldn't look in her eyes. What? I asked her. What hurt you?

"It hurt us that there were so few letters in the newspapers about what's happened. And it's hurt that so many political leaders kept their mouth shut," she said. "I understand Ryan is a Republican, but the Democrats don't say anything either."

"It's probably that \$12 billion Ryan put together to spend on them and keep them quiet, right?"

We all know what that \$12 billion does. It's hush money, it has blood on it, it's our money, and Ryan has used it to buy off the politicians and the insiders and shut up the state.

It's money that funds the Daley-Ryan combine. You know that, don't you?

Scott Willis said Ryan has the responsibility to resign.

What is our responsibility as citizens?

Obviously, the White House switchboard couldn't handle your calls Thursday. Many of you told me you want President Bush to stop the Ryan-Daley combine from influencing the selection of federal prosecutors. So tell him.

The White House complaint line (they promise it will work now) is 202-456-1111. You can e-mail the president at President@Whitehouse.gov. The address of the White House is 1600 Pennsylvania Ave. NW, Washington, DC 20500.

Bush asked us to participate. Take him up on it.

Tell him you want a Free Illinois.



Don't miss John Kass' unique take on the news Mondays on the "WGN Morning News."

John Kass



Ryan's pride: Never even been charged

After two years in office, with \$12 billion in political pork to play with, Gov. George "Safe Highways" Ryan should have been puffing up proudly on Monday.

After all, he is the Ryan in the Ryan-Daley political combine that runs things in this one-party state.

They're doing whatever they can to suck up to President Bush and prevent U.S. Sen. Peter Fitzgerald (R-Ill.) from appointing independent federal prosecutors who would threaten the combine and their deals.

With all that muscle, you'd think Ryan would be pleased, comfortable, a prideful lion sleeping under a tree after gorging, with jackals attendant.

Standing in a hot and stuffy banquet room, before 300 or so corporate bosses (of the aptly named Mid America Committee for International Business and Government Cooperation Inc.), Ryan should have been playing the lord.

Instead, he was sad, defiant, almost desperate, seeking sympathy.

His stature has been reduced by the federal investigation into the bribes-for-licenses scandal when he was secretary of state.

Here is the gist of what he said on Monday.

He won't resign. He feels victimized by corruption in the secretary of state's office and by the media. At least he didn't accuse me of liberal media bias.

And he said something else, something extremely revealing.

"This investigation has been going on for 2 1/2 years now, and there has been no charge against me involving any part of it," he said.

Let's consider that.

There have been dozens of people convicted in the bribes-for-licenses scandal under his watch.

His job was to protect the people of Illinois and make sure unqualified drivers didn't get on the road. He failed. And according to federal prosecutors, \$170,000 in bribe money made its way into his campaign fund.

His own top aide and close friend, Dean Bauer, recently pleaded guilty to covering up the corruption. He covered up knowledge that truck drivers paid bribes for licenses, including one driver, Ricardo Guzman, who was involved in a crash with the Willis family.

Six of the Willis kids were burned to death.

And a few days later, Ryan's people learned Guzman paid a bribe. The Ryan crowd stonewalled for years, loudly accusing critics and opponents of manipulating the deaths of the Willis kids for

political people, proud, attacking their fingers at those who dared say Ryan had knowledge of the corruption.

But there were those on the inside who knew of the bribes paid. And then, Bauer cut a deal on a plea.

Now, Ryan defends himself by saying he has not yet been charged with a crime.

How absolutely astounding.

For an elected official to defend himself by saying he hasn't yet been charged is an admission that he is losing ground.

It's like he's a cartoon character on a wooden bridge, and a cloud of termites has just spotted him, and they're moving closer, chewing, with appropriate sound effects.

"There isn't a day that goes by that I don't think about it, what happened to the Willis family," Ryan said of the family, which asked him last week to do the honorable thing and resign.

"I had no knowledge of the cover-up or wrongdoing," Ryan said. "There is insinuation, accusation, there's hints. But I can't tell you! I wish I had knowledge of that cover-up. I wish I had known that there was something going on, there! Because I wouldn't have tolerated it. I'd have put a stop to it immediately."

"And I have no intention of stepping down as governor. I'm going to continue to serve with dedication and with passion."

I looked around at the faces of the executives in that crowded, stuffy room. For some reason, they weren't standing, shouting at the top of their lungs, "Ryan! Ryan! Ryan!"

Instead, they looked almost poached, just waiting for the old man to finish.

As Ryan has said, and repeated Monday he did not kill the Willis children. I believe him.

But it defies common sense to believe, as he insists, that he knew nothing of the subsequent cover-up, when his friend Bauer was in charge, and when a cover-up meant the difference between winning and losing the gubernatorial campaign in 1998.

I've heard his denials. I've reported them again, today. But I just can't believe them.

And I think most people in this state, particularly the rank-and-file Republicans of Illinois, don't believe him either.

He won't seek re-election, no matter what he says now. He's finished, in the end game, playing to find some ground he can hold for a while.

He maintains he knew nothing. That's where we are.

"That may be hard for you to believe," he said later. He's right.

It's also hard for me to believe him when he says he doesn't care who appoints the next U.S. attorney, and that he hasn't called on his ally, House Speaker Dennis Hastert, for help in shielding him from unfriendly feds.

I'm not going to call him a liar. He's a proud old man in a hard place, fighting. I respect that in him.

But I don't believe him. I can't. I've been covering politicians now for almost 20 years. There are few coincidences in politics. And politicians take no chances when it comes to who controls the federal hammer.

We can all feel a tinge of sympathy for an old man. I do.

But let's not forget the Willis children either. He owes them more than his words.



Don't miss John Kass' unique take on the news Mondays on the WGN Morning News.



Couple hurt most by license scandal plead for justice

Rev. Duane "Scott" Willis and his wife, Janet, have a simple message for President Bush:

Don't side with a fellow Republican Gov. George "Go the Highways" Ryan in appointing federal prosecutors in Illinois.

They're also asking House Speaker Dennis Hastert to stop siding with Ryan and to stop trying to influence the selection of those U.S. attorneys.

Ryan is one-half of the bipartisan Ryan-Daley combine that runs this politically corrupt state.

The combine likes its prosecutors tame and well-trained, like Little League with ribbons in their hair.

The Willises believe Ryan isn't interested in a full airing of the corruption that occurred while he ran the secretary of state's office.

And if Ryan has anything to do with influencing Bush in the selection of a U.S. attorney, the ongoing corruption case against Ryan's crowd "would be hushed up," Scott Willis told me Wednesday in an interview in a South Loop restaurant.

"It wouldn't get a full airing," he said, "because there are too many people to protect."

They don't want to judge. But they do want justice. And they're worried that politics might block that justice.

"The other thing is that the corruption would just continue," Janet said. "I would more people would be killed. There would be no deterrent."

It was their first interview since Ryan's pal, Dan Bauer, admitted he tried to cover up corruption in the secretary of state's office.

They told me they don't want to judge. But they do want justice. And they're worried that politics might block that justice.

They have six reasons to be angry: Peter Willis, 6 weeks; Elizabeth Willis, 3; Hank Willis, 7; Sam Willis, 9; Joe Willis, 11; and Ben Willis, 13.

"They grew up in Brighton Park. They played in the alley behind our house on Mozart [Street]. You learn to hit to center field, because all you've got is center field, you know," their father said.

"I'm a dad, looking around; Little League is going to start, and the kids aren't there," he said.

"They're like your kids. They're like the kids across the street. They're not just names in the paper. They're kids. I want you to see some pictures. To put a face on them."

Later, I sat in my living room and watched a videotape. The children played baseball and wore Halloween costumes and giggled in the bathtub and posed in family wedding photos, like your kids, like my kids.

But the Willises' children were killed on the road. I'm not saying Ryan killed them. But a week after the kids died, Ryan's top people figured—with good evidence—that the trucker involved in the crash that killed them paid a bribe for his license. Instead of cleaning it up, they covered it up to get Ryan elected governor on a lie.

Scott and Janet have been bludgeoned off by the combine. Their motives have been questioned by paid spinners and other political egg suckers who drop hard bits of hatred to the gossip columnists.

And now Scott and Janet want Bush to know how they feel about Hastert and Ryan influencing the most important political decision in Illinois in decades.

"It surprises me that Hastert has come into this thing," Scott said. "I had more respect for Hastert than that."

The Ryan-Hastert crowd is worried their rival, U.S. Sen. Peter Fitzgerald (R-Ill.), is pushing for a certain kind of prosecutor: one who will make political corruption a No. 1 priority.

I thought that was the idea. If Bush allows himself to be influenced by Ryan and his agents, and bypasses Fitzgerald, the new president will signal something. He'll signal that "character" and "integrity" are just words in his mouth, and that he's really no better than the last guy.

"We've got to guard against bitterness," Janet said. "We've got to be careful. It's OK to grieve, but you don't want bitterness and self-pity to overwhelm you."

Six of the Willises' children were burned to death in the crash. It was Nov. 11, 1994, an Election Day. The Willises voted for Ryan. They believed in him then.

Scott and Janet wanted to thank some prosecutors, their attorney Joe Power and the whistleblowers who have put pressure on the combine.

They've hesitated to speak out in the past because they were afraid that you might think badly of them—and that the politicians of the combine would criticize them.

Janet explained why they've been reluctant to talk about their impressions of Ryan and his political mob.

"There's a fear of the consequences when you step out, when you feel like you can't do anything about it," she said. "You know something's wrong, it's going on, you feel helpless, most people back off and step away and say it's hopeless."

"I can't keep sitting back," Scott said. "There are those who have kept the pressure on, and we've got to go to bat too."

They've got guts. And I'll report more of their interview tomorrow.

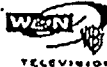
But until then, let's not forget Bush. He campaigned on restoring honor to the White House.

Now he can prove it.

If you don't want him to side with Ryan in picking Ryan-and-Daley-friendly federal prosecutors, why not let the president know how you feel?

Call him at 202-456-1414.

It's your state, isn't it?



Don't miss John Krasner's unique take on the news Mondays on the "WGN Morning News."



Governor's past merits scrutiny more than Jackson's

I hope somebody did the decent thing for Illinois Gov. George "Safe Highways" Ryan and told him about the Jesse Jackson story as soon as it broke Thursday.

Just imagine Safe Highway lying on a sunny Jamaican beach, turning a deep crustaceous pink, a tropical drink in his right paw.

See the Ryan flunky, perspiring, running on the sand. The Ryan flunky sucks on a cigar. Tiny bits of meat cling to his teeth. There is a can of beer in his hand, as usual.

"Hey boss," says meat breath. "I just got a call from back home. Here's the bad news. Everybody in the state now thinks you're a creep who walked over the six dead Willie kids to become governor, so you could take care of the road builders and the Rosemont casino boys."

"But George, here's the good news. Jesse Jackson has a love child!"

"TV will chase Jackson and his baby and their baby. It's perfect for us, George. They'll leave us alone. We're off Page 1! TV loves sex! It's Temptation Island for black liberals!"

And that's what happened.

On the day when Illinois should have been gathering with one voice to denounce Ryan in the licenses-for-bribes scandal, Jackson's child was the perfect media distraction.

It was a safer story. A salacious story. An easier story.

It didn't force reporters to run up against their sources and pals in the Ryan-Ill. day political combine. It doesn't speak to the corruption in Illinois politics that makes Louisiana look clean by comparison.

It was about talking sex and age of Jackson, Clinton, Lewinsky and more sex.

Chicago was demanding to talk about the King of Beers and the child he fathered 20 months ago.

There was the purring of the afternoon drive-time jocks. And there was that other sound too, the sound of dripping saliva.

"You've got to go after Jackson," said one guy who called me. "He's a hypocrite!"

When I told the caller that Jackson's personal life was none of my business, he called me a @#%!* and hung up.

He's probably right about the @#%!* part. But he's also wrong about Jackson.

It's none of our business. Leave him alone. He wasn't in public office.

Jackson didn't shame the White House. He shamed himself and his family. He's human.

He needs what all of us would need. Space and forgiveness, and a bit of our sorrow.

The King of Beers is a political animal, a hypocrite on so many things.

He plays the race card against Missouri Republican Jim. John Ashcroft, but Jackson wouldn't dare stand up for a black couple in Chicago who were attacked by white sheriffs' deputies with 19th Ward political clout.

So Jackson has a few phony bones. He's also a creation of the media and a testament to late-20th Century media racism.

We ask him to translate the black experience for us. So his power grows, it's all symbolism and rhetoric; and in exchange, he shepherds our institutional liberal guilt.

By focusing on Jackson, we ignore other black voices. We get off easy. And most folks who read papers or watch TV news understand this reality.

Even so, this one is about sex. Who cares? Did Jackson ever lecture you about fidelity?

What's important is Ryan and the Ryan-Daley combine trying to influence the next U.S. attorney. And Ryan shouldn't be let off this easy.

What's important is that the six children of Scott and Janet Willis were burned to death in a crash caused by unqualified truck driver Ricardo Guzman, who paid bribes to the secretary of state's office when Ryan was secretary of state.

The kids were killed on the day Ryan was re-elected secretary of state in 1994, as he began his climb to the governor's mansion. Scott and Janet Willis voted for him.

Evidence released just Wednesday shows that higher-ups in Ryan's office believed within a week of the Willis deaths that Guzman paid a bribe. They covered it up during Ryan's subsequent campaign for governor.

Throughout the 1998 campaign, Ryan adamantly denied Guzman had paid bribes. After a middleman pleaded guilty to setting up the Guzman bribe, there was Ryan puffing and puffing, saying it wasn't true.

The Jackson story doesn't address other important matters.

It doesn't address the need for new independent federal prosecutors to be appointed by an independent Republican—U.S. Sen. Peter Fitzgerald (R-Ill.).

We need prosecutors with guts to go after the bipartisan political combine—which protects Ryan's pals and those who suck up to Chicago's Richard Daley, or have not forgotten \$100 million in city contracts going to people with Outfit connections?

What does Jackson's personal sex life have to do with the selection of a U.S. attorney? What does it have to do with leazy attempts by Ryan to muddy up Fitzgerald?

Nothing.

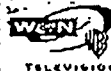
What's important is that President-elect George Bush must stand up for the people of Illinois. He must refuse to let the combine dictate the selection of federal prosecutors.

What's important is that we understand Ryan is trying to enlist Speaker of the House Dennis Hastert to pressure Bush on this issue.

But if the combine wins this political fight and overrides Fitzgerald in picking prosecutors, it will be like spitting on the graves of the six Willis children, and on all of us, too.

And Bush will be doing the spitting.

That's what's important. Not Jackson.



Don't miss John Kass' unique take on the news Mondays on the "WGN Morning News."



1-31-01

If Bush turns up heat, the pink guys could get scorched

President Bush's election may have had some unintended consequences, especially in Illinois.

And they're sure to be appreciated by the politicians who will gather in Springfield on Wednesday to honor Gov. George "Safe Highways" Ryan tell them how wonderful he is.

This is a one-party state, run by the Ryan-Daley political combine, and the politicians have nice appetites.

Some call them Republicans. Others, who have more wit, call them Demoolicans.

Me? I say they have tender feelings, like the petals of tiny flowers, easily bruised, especially when they're subpoenaed to appear before a federal grand jury.

And now that Bush is getting closer to appointing a new U.S. attorney for the Northern District of Illinois, some people are clearly worried.

The Clinton Justice Department made a habit in Chicago of targeting minority politicians who took chump change. But a Bush Justice Department might just hunt pink guys.

And that's got a lot of big pink guys nervous. There are so many nervous pink guys in this state lately that you can't find sunscreen anywhere.

Now, all of a sudden, the governor's own casino gaming board has discovered the Chicago Outfit might be involved in politics and casinos.

Jeepers. I know you're surprised too, right? On Tuesday, the board denied a license for the casino Ryan and the boys wanted to put in Lucky City, a.k.a. Rosemont.

The mayor of that town, Don Stephens, a charming fellow, chided me over lunch for describing him this way in a column:

"Years ago, Stephens was just breaking into politics by running errands and cleaning ashtrays at poolside for the Outfit boss Sam Giancana, at Giancana's hotel, which Stephens later purchased."

"Do you think you're for any?" Stephens asked me.

"Funny how?" I answered. "Do I amuse you?" I ended up paying for a tasty lunch.

Sergio Acosta, administrator for the gaming board, said the board was worried that a few shareholders were associated with the Outfit and at least one firm connected to do some trash hauling at the casino site allegedly Outfit controlled.

The allegedly Outfit-controlled company is D & P Construction, of Chicago and Melrose Park.

According to the FBI, it is owned by John and Peter DiFronzo. John has an interesting nickname, earned after a fur robbery when he almost got his nose shot off.

They call him "No Name" DiFronzo. Depending on who you talk to, he's either the boss of the Outfit or a retired gentleman living quietly in the suburbs. Peter is his brother, another alleged tough guy.

D&P has contributed more than \$10,000 to Stephens' campaign fund.

Slim the Legman came up with an idea. Why not check to see if other "Démoolicans" were beneficiaries of D&P's largesse?

The DiFronzos love life outdoors, especially parks and groves. They've contributed to the mayors of River Grove, Melrose Park, Schiller Park and Franklin Park.

Other beneficiaries were the "friends" of Ald. William J.P. Banks (38th), who was a key figure in the release of Anthony "Spittles" Pizzirulli, the former city worker who allegedly spit on a cop after he was arrested with a gun.

The 36th Ward got \$1,000 just last year, probably only enough to cover the pastries for a sweet table at a party for judges.

Another beneficiary was state Rep. Angelo "Skip" Saviano (R-Elmhurst Park), who has received almost \$5,000 from D&P over the last several years.

Then there is state Sen. Jimmy DeLeo (D-Chicago), who got \$1,250 in one day a few years ago, based on a cursory check of campaign records.

As a member of the colorful West Side bloc, DeLeo first was a top coordinator in the Cook County Traffic Court.

Although he was only making about \$19,000 a year in 1982, he was known to have a lavish lifestyle, including heavy Rolex watches on his wrist.

He was such a saver, though, that he had enough left over to buy a new Corvette and a Cadillac.

But the IRS said he spent \$90,000 more than he earned—not counting cash for dinners and drinks for pals—between 1980 and 1982. So they charged him with federal tax fraud.

He explained it all by saying that when his parents died, the family received a large number of cash donations from friends and relatives. And other guys came forward and said they lent him the cash, as friends.

DeLeo's attorney, Edric Genson—who recently cut a plea deal for Ryan and Dean Bauer—also got one for DeLeo, who headed to a misdemeanor.

The best explanation for the DeLeo cash came from his former roommate, Bruce Schumacher. Schumacher, a political worker, said their bachelor pad freezer held as much as \$35,000 cash at one time, wrapped neatly in freezer paper. The cash came from Schumacher's side business, stealing cars.

But by focusing on the Outfit connections of Rosemont casino investors and D&P, we might forget the other folks on the investors' list.

Included is the wife of Tim Degnan, Mayor Richard Daley's top political brain.

Now, though, with a stop put on the Rosemont casino deal before a new U.S. attorney arrives, the Démoolicans have what they need.

Cover



Don't miss John Kass' unique take on the news Mondays on the "WGN Morning"

SI

194A-SI-50818-170

AUG 15 2001

fb: MR/SPT.....

August 3, 2001

[Redacted]

Dear [Redacted]:

Your January 25th letter to President George W. Bush has been referred to the Department of Justice and subsequently forwarded to the FBI, where it was received on July 19th. You are alleging corruption by state officials in Illinois and stress the need for a new federal prosecutor. If you are referring to the U. S. Attorney, this position serves at the request of the President and with the confirmation of the U. S. Senate. Therefore, it would be inappropriate for the FBI to address your concerns about that position.

b6
b7c

(X)

The investigation of allegations of public corruption, at any level, is one of the FBI's highest investigative priorities. In fact, the allegations surrounding the fraudulent acquisition of commercial driver's licenses in the state of Illinois remains the highest investigative priority within our Chicago Office. As you are probably aware, numerous individuals have been convicted thus far in connection with this case. Because of longstanding Department of Justice and FBI policy, I am unable to comment any further on this pending case. This policy exists to protect the rights of all parties involved and to prevent any impact on any criminal charges that may result from our investigations.

ASDC
GA
[Signature]
[Redacted]

Sincerely yours,

[Redacted]

Unit Chief
Office of Public and
Congressional Affairs

1 - SAC, Chicago (196D-CG-105799) - Enc.

ReBifax 7/20/01 and e-mail reply from 7/27/01 from SSA [Redacted] to [Redacted]
[Redacted] OPCA.

① - SAC, Springfield (194A-SI-50818) - Enc.

ReBifax 7/20/01 and telcal from [Redacted] to [Redacted] OPCA.

1 - OPCA ES, Room 6248 - Enc.

NOTE: ACS shows several references for [Redacted] which were not reviewed since the name is too common to identify. Reply based on CG e-mail.

62C-HQ-1077231

DD

119926

25 January 2001

President George W. Bush

The White House
1600 Pennsylvania Avenue NW
Washington, DC 20500

Dear President Bush:

As a father, husband, citizen, honorably discharged USMC veteran, registered voter, and taxpayer I am extremely concerned about the pervasive political corruption in my home state of Illinois. Governor George Ryan is, from my perspective, nothing more than a criminal. Governor Ryan has done everything in his power to subvert criminal investigations directed at his corrupt administration.

Senator Fitzgerald has an opportunity to appoint a new federal prosecutor for Illinois that will aggressively root out and prosecute corruption. This type of action will go far to convince the honest citizens of Illinois that the government is credible and that our elected officials are empowered by and accountable to those who elected them.

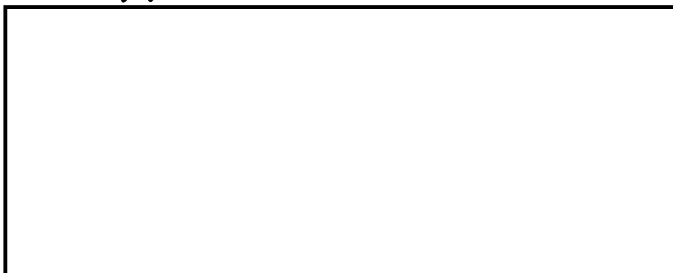
I request that you employ your good offices to support Senator Fitzgerald in this most important appointment and that you refrain from collaborating with Governor George Ryan and Speaker Hastert to subvert Senator Fitzgerald's duty to the citizens of Illinois to appoint a strong federal prosecutor.

I also strongly support your appointment for U.S. Attorney General, Senator Ashcroft.

Thank you Mr. President for your time and consideration.

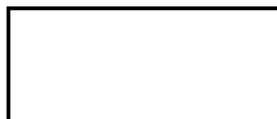
I ask that God bless and guide you on your journey as our President.

Sincerely, your brother in Christ,



b6
b7C

Cc: Senator P. Fitzgerald.



b6
b7C



President George W. Bush
The White House
1600 Pennsylvania Avenue NW
Washington, DC 20500

20500-0003



194A-SI-50818-171

AUG 15 2001

By: MR. [signature]

August 3, 2001

[Redacted]

Dear [Redacted]

Your January 26th e-mail to President George W. Bush has been referred to the Department of Justice and subsequently forwarded to the FBI, where it was received on July 19th. You are concerned about alleged corruption in the state of Illinois and stress the need for an independent federal prosecutor. If you are referring to the U. S. Attorney, this position serves at the request of the President and with the confirmation of the U. S. Senate. Therefore, it would be inappropriate for the FBI to address your concerns about that position.

b6
b7C

The investigation of allegations of public corruption, at any level, is one of the FBI's highest investigative priorities. The allegations surrounding the fraudulent acquisition of commercial driver's licenses in the state of Illinois is continuing and remains the highest investigative priority within our Chicago Office. As you are probably aware, numerous individuals have been convicted thus far in connection with this case. Because of longstanding Department of Justice and FBI policy, I am unable to comment any further on this pending case. This policy exists to protect the rights of all parties involved and to prevent any impact on any criminal charges that may result from our investigations.

(X)

Sincerely yours,

ASAC [Redacted]
SA [Redacted]

[Redacted]
Unit Chief
Office of Public and
Congressional Affairs

1 - SAC, Chicago (196D-CG-105799) - Enc.

ReBifax 7/20/01 and e-mail reply from 7/27/01 from SSA [Redacted] to [Redacted]
[Redacted] OPCA.

① - SAC, Springfield (194A-SI-50818) - Enc.

ReBifax 7/20/01 and telcal from [Redacted] to [Redacted] OPCA.

1 - OPCA ES, Room 6248 - Enc.

NOTE: Based on available information, [Redacted] is not identifiable in ACS. Reply based on CG e-mail.

62C-HQ-1077231

DD

EO 120347

From: [redacted] on 01/26/2001 10:51 PM GMT

To: president@Whitehouse.GOV
cc:
Subject: Illinois Federal District Attorney

Dear President Bush, Please nominate an independent Federal Prosecutor for the Northern District of Illinois. Ever since the Willis family was killed by a commercial driver who bought (bribed) his license from the Illinois Sec of State the stench from that state office is overwhelming. The corruption in this state and the City of Chicago is an affront to the decent citizens of Illinois. The Daley\Ryan Alliance is buying its way out of any investigation and the present Federal Attorney never investigates anyone in this Alliance. The one who pled guilty, (Dean Bauer) from the Sec of State office does not have to cooperate with the government to see where the corruption leads. I ask you Mr. President to please have someone look into the problems in Illinois. Congratulations on your win and God bless you and your family.

b6
b7C

[redacted] Tx: [redacted] Email [redacted]

Do You Yahoo!?

Yahoo! Auctions - Buy the things you want at great prices.
<http://auctions.yahoo.com/>

194A-SI-50818 -172

AUG 15 2001

for MRK/ser.....

August 6, 2001

[Redacted]

Dear [Redacted]

Your January 27th communication to President George W. Bush has been referred to the Department of Justice and subsequently forwarded to the FBI , where it was received on July 18th. You ask that the President not be influenced when selecting federal prosecutors. If you are referring to the U. S. Attorney, this position serves at the request of the President and with the confirmation of the U. S. Senate. Therefore, it would be inappropriate for the FBI to address your concerns about that position.

b6
b7c

(S)

SA [Redacted]
SA [Redacted]
SA [Redacted]

Sincerely yours,

[Redacted]

Unit Chief
Office of Public and
Congressional Affairs

1 - SAC, Chicago (196D-CG-105799) - Enc.

ReBufax 7/20/01 and e-mail reply from 7/27/01 from SSA [Redacted] to [Redacted]
[Redacted] OPCA.

① - SAC, Springfield (194A-SI-50818) - Enc.

ReBufax 7/20/01 and telcal from [Redacted] to [Redacted] OPCA.

1 - OPCA ES, Room 6248 - Enc.

NOTE: Based on available information, [Redacted] is not identifiable in ACS. Reply based on CG e-mail.

62C-HQ-1077231

DD

ENCLOSURE

1199376

JANUARY 27, 2001

DEAR PRESIDENT BUSH:

I LIVE IN THE STATE OF ILLINOIS, AND PLEASE, I BEG OF YOU DO NOT LET THE DALEY-RYAN COMBINE INFLUENCE THE SELECTION OF TAME FEDERAL PROSECUTORS.

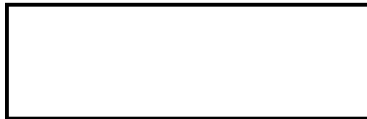
AS A PARTICIPATING CITIZEN, I NEED TO LET YOU KNOW THAT I WANT A "FREE ILLINOIS".

WITH RESPECT AND ADMIRATION;

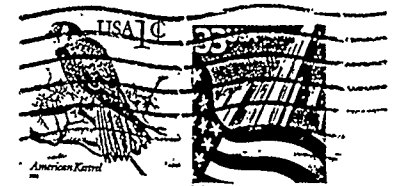


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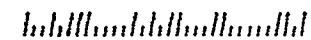
P. S. SEN. PETER FITZGERALD SHOULD HAVE A MAJOR VOICE IN THE SELECTION OF FEDERAL PROSECUTORS FOR THE STATE OF ILLINOIS.



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PRESIDENT GEORGE W. BUSH
1600 PENNSYLVANIA AVE., NW
WASHINGTON, D.C. 20500



August 6, 2001

[Redacted]

Dear [Redacted]:

Your January 26th e-mail to President George W. Bush has been referred to the Department of Justice and subsequently forwarded to the FBI, where it was received on July 19th. You are concerned about alleged corruption in the state of Illinois and comment on the need for qualified attorneys to be appointed to federal positions. If you are referring to the U. S. Attorney, this position serves at the request of the President and with the confirmation of the U. S. Senate. Therefore, it would be inappropriate for the FBI to address your concerns about that position.

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The investigation of allegations of public corruption, at any level, is one of the FBI's highest investigative priorities, and the allegations surrounding the fraudulent acquisition of commercial driver's licenses in the state of Illinois is continuing and remains the highest investigative priority within our Chicago Office. Numerous individuals have been convicted thus far in connection with this case. Because of longstanding Department of Justice and FBI policy, I am unable to comment any further on this pending case. This policy exists to protect the rights of all parties involved and to prevent any impact on any criminal charges that may result from our investigations.

Sincerely yours,

[Handwritten signature]

[Redacted]

Unit Chief
Office of Public and
Congressional Affairs

1 - SAC, Chicago (196D-CG-105799) - Enc.

ReBufax 7/20/01 and e-mail reply from 7/27/01 from SSA [Redacted] to [Redacted]
[Redacted] OPCA.

① - SAC, Springfield (194A-SI-50818) - Enc.

ReBufax 7/20/01 and telcal from [Redacted] to [Redacted] OPCA. 194A-SI-50818

1 - OPCA ES, Room 6248 - Enc.

NOTE: Based on available information, [Redacted] is not identifiable in ACS. Reply based on CG e-mail.

62C-HQ-1077231

DD

[Redacted] *ASAC* *[Handwritten initials]*

AUG 14 2001

[Handwritten initials]

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1204121
EQUIS

From: [redacted] on 01/26/2001 09:58 AM GMT

To: George Bush <President@Whitehouse.GOV>
cc:
Subject: Illinois Governor George Ryan

Dear President Bush:

I would like you to work with Dennis Hastert to encourage George Ryan to resign his position. He is a disgrace to the people of Illinois, since his tenure as Illinois Secretary of State was tainted by years of bribery and scandal. The death of the Willis children are a direct result of the culture of graft in Mr. Ryan's office. He cannot claim ignorance since his best buddy, Dean Bauer plea-bargained and offered himself as the scapegoat. In addition, Ryan and Mayor Daley engineered a \$12 billion public works bonanza for politically-connected contractors in the state.

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It's time to clean up this state. Please give full responsibility to independent Illinois Senator Peter Fitzgerald to advise you in the selection of qualified attorneys to be appointed to federal positions in Illinois. The people of Illinois deserve to have cleaner government in Springfield and Chicago.

Regards,

[redacted]

16
STATE
DOJ

August 6, 2001

[redacted]
Dear [redacted]:

Your January 26th e-mail to President George W. Bush has been referred to the Department of Justice and subsequently forwarded to the FBI, where it was received on July 19th. You encourage the President to investigate alleged corruption by state officials in Illinois.

The investigation of allegations of public corruption, at any level, is one of the FBI's highest investigative priorities, and the allegations surrounding the fraudulent acquisition of commercial driver's licenses in the state of Illinois is continuing and remains the highest investigative priority within our Chicago Office. As you are probably aware, numerous individuals have been convicted thus far in connection with this case. Because of longstanding Department of Justice and FBI policy, I am unable to comment any further on this pending case. This policy exists to protect the rights of all parties involved and to prevent any impact on any criminal charges that may result from our investigations.

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Sincerely yours,

[redacted]
Unit Chief
Office of Public and
Congressional Affairs

1 - SAC, Chicago (196D-CG-105799) - Enc.

ReBufax 7/20/01 and e-mail reply from 7/27/01 from SSA [redacted] to [redacted]
[redacted] OPCA.

① - SAC, Springfield (194A-SI-50818) - Enc.

ReBufax 7/20/01 and telcal from [redacted] to [redacted] OPCA.

1 - OPCA ES, Room 6248 - Enc.

NOTE: Based on available information, [redacted] is not identifiable in ACS. Reply based on CG e-mail.

62C-HQ-1077231

DD

[redacted]

ASAC [signature]

194A-SI-50818-174

AUG 14 2001
[signature]

FO45712035-1

From: [redacted] on 01/26/2001 07:13 PM GMT

To: President@Whitehouse.GOV
cc:
Subject: Illinois' Gov. Ryan

Dear President Bush,
I am writing from the Chicago Area. I just read in the Tribune how the "hush" money is keeping Gov. Ryan in office. This is an abominable shame. Rev. Scott Willis and his wife, Janet, are asking that Gov. Ryan resign - step-down from office because of his guilt in the truckers' pay-off for licenses in Illinois.

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His irresponsibility helped to cause the death of 6 of the Willis' children.

President Bush, I voted democratic, so I did not vote for you. But I am impressed how you have taken the reigns since you've been in office, and you are fighting for a more honest, responsible, moral society. People like you and Laura can and will make a difference. I will support whatever you do that is honest and uplifting to this great nation of ours, even though I voted Democratic.

I beg of you, if there is anything in your power that you can do, please work to see that Gov. Ryan and his cronies pay for the terrible deed they did to the Willis'. You now have a relationship with Mayor Daley. The two of you can use this to make things happen for the better.

Thank you.

[redacted]

August 6, 2001

[Redacted]

Dear [Redacted]:

Your January 29th e-mail to President George W. Bush has been referred to the Department of Justice and subsequently forwarded to the FBI, where it was received on July 19th. You comment on the need for a special prosecutor to fight alleged corruption in the state of Illinois. If you are referring to the U. S. Attorney, this position serves at the request of the President and with the confirmation of the U. S. Senate. Therefore, it would be inappropriate for the FBI to address your concerns about that position.

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The investigation of allegations of public corruption, at any level, is one of the FBI's highest investigative priorities, and the allegations surrounding the fraudulent acquisition of commercial driver's licenses in the state of Illinois is continuing and remains the highest investigative priority within our Chicago Office. Numerous individuals have been convicted thus far in connection with this case. Because of longstanding Department of Justice and FBI policy, I am unable to comment any further on this pending case. This policy exists to protect the rights of all parties involved and to prevent any impact on any criminal charges that may result from our investigations.

Sincerely yours,

[Redacted]

Unit Chief
Office of Public and
Congressional Affairs

(K)

1 - SAC, Chicago (196D-CG-105799) - Enc.

ReBufax 7/20/01 and e-mail reply from 7/27/01 from SSA [Redacted] to [Redacted]
[Redacted] OPCA.

① - SAC, Springfield (194A-SI-50818) - Enc.

ReBufax 7/20/01 and telcal from [Redacted] to [Redacted] OPCA.

1 - OPCA ES, Room 6248 - Enc.

NOTE: Based on available information, [Redacted] is not identifiable in ACS. Reply based on CG e-mail.

62C-HQ-1077231

DD

194A-SI-50818/175
AUG 14 2001
MM

14

From: [redacted] on 01/29/2001 05:27 PM GMT

EDUSA

To: President@Whitehouse.GOV

cc:

Subject: IL Gov. George Ryan

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You should ask for a special prosecutor to look into the corruption in Gov. George Ryan's Secretary of State's Office dealings before he became governor.

A federal investigation may be the only way this corruption will be brought to justice.

